

APPROVED

MINUTES OF THE MEETING

Governing Board Southwest Florida Water Management District

Brooksville, Florida

May 29, 2007

The Governing Board of the Southwest Florida Water Management District (SWFWMD) met at 9:00 a.m. on May 29, 2007, at Brooksville headquarters. The following persons were present:

Board Members Present

Talmadge G. Rice, Chair
Judith C. Whitehead, Vice Chair
Neil Combee, Secretary
Jennifer E. Closshey, Treasurer
Thomas G. Dabney, Member
Patricia M. Glass, Member
Heidi B. McCree, Member
Sallie Parks, Member
Todd Pressman, Member
Maritza Rovira-Forino, Member
Patsy C. Symons, Member

Staff Members Present

David L. Moore, Executive Director
William S. Bilenky, General Counsel
Lou Kavouras, Deputy Executive Director
Richard S. Owen, Deputy Executive Director
Eugene A. Schiller, Deputy Executive Director
Bruce C. Wirth, Deputy Executive Director

Recording Secretary

Annette D. Zielinski, Senior Admin. Assistant

Board Members Absent

None

A list of others present who signed the attendance roster is filed in the permanent files of the District. Approved minutes from previous meetings can be found on the District's Web site (www.WaterMatters.org).

Public Hearing

1. Call to Order

Chair Rice called the meeting to order and opened the public hearing. Mr. Combee noted a quorum was present.

2. Pledge of Allegiance and Moment of Silence

Chair Rice led the Pledge of Allegiance to the Flag of the United States of America and asked that a moment of silence be observed. (CD 1/Track 1 – 00:00/01:56)

Public Hearing

Chair Rice noted that this Governing Board meeting is being broadcast to the Bartow, Tampa, and Sarasota Service Offices using the video conferencing system for the purpose of viewing the Board meeting only. Public input will only be taken at Brooksville headquarters. The Governing Board's meeting is also being recorded for broadcast on government access channels.

Chair Rice stated that anyone wishing to address the Governing Board concerning any item listed on the agenda or any item that does not appear on the agenda should fill out and submit a speaker's card. To assure that all participants have an opportunity to speak, a member of the public may submit a blue card to comment on one agenda item only during today's meeting. If additional time is needed or if the speaker wishes to address the Board on an issue not on today's agenda, a blue card may be submitted for comment at the end of the meeting during "Public Input." Chair Rice stated that comments would be limited to three minutes per speaker, and, when appropriate, exceptions to the three-minute limit may be granted by the Chair. He also requested that several individuals wishing to speak on the same issue/topic designate a spokesperson.

3. **Additions/Deletions to Agenda**

According to Section 120.525(2), Florida Statutes, additions to the published agenda will only be made for "good cause" as determined by the "person designated to preside." Mr. Moore announced the following additions and deletions to the agenda: (CD 1/Track 2 – 00:00/05:00)

Meeting and Public Hearing

The following item was deleted from consideration:

4. Oath of Office for Newly Appointed Board Member(s)

Regulation Committee

The following items were deleted from consideration:

30. WUP No. 20012868.000 - W F I N - Spencer Farms, Inc. (Denial) – Hillsborough County
39. Central Florida Coordination Area Update

The following Routine Report was moved to Discussion Items and an item was added for consideration:

40. Demand Management Activities – Concurrence with Executive Director's Emergency Order Authorizing Increased Use of the Tampa Bypass Canal

Finance and Administration Committee

The following item was added for consideration:

- Fiscal Year 2008 Budget Update

General Counsel's Report

The following Consent Items were deleted from consideration:

75. Initiation of Litigation – Surface Water Activity - Hristos and Joanne Malissovass – Pasco County
76. Initiation of Litigation – Surface Water Activity – Summertimes Ranch, Inc. – Polk County
77. Initiation of Litigation – ERP No. 43023915.002 – Central Suburban, Inc. (Lakes at Lucerne Park) – Polk County
79. Initiation of Litigation – Well Construction – License No. 9352 – Tim Miller – Hillsborough County

The following item was added for consideration under Discussion Items:

- Heidt & Associates, Inc. – Petition for Rulemaking to Include Wetland Hydroperiods in Formal Determination of Wetlands and Other Surface Waters

Workshop

*The following item was **postponed** to the Board's special meeting scheduled for July 12:*

86. Finance and Administration Committee Fiscal Year 2008 Budget Workshop

4. **Oath of Office for Newly Appointed Board Member(s)**

This item was deleted from consideration since no new members were appointed.

At this time, order of consideration was altered.

6. **Employee Recognition**

Mr. Moore made presentations to the Board for the employees who had achieved milestones of 20 years or greater to specially acknowledge and commend the contributions of these individuals. The following individuals were in attendance at the meeting and celebrated 20 years of service: Ms. Joanie Bordeaux, Desktop Support Specialist, Information Resources Department; Mr. Dave DeWitt, Professional Geologist, Resource Conservation and Data Department; Mr. Gary Flood, Tradesworker, Operations Department; Mr. Mark Hammond, Director, Resource Management Department; Mr. Noel Pioszak, Financial Systems Manager, Finance Department; Mr. Daryl Pokrana, Director,

Finance Department; and Mr. Bill Permenter, Field Technician Supervisor, Tampa Regulation Department. Mr. Ed Hobin, Outreach Project Coordinator, Community and Legislative Affairs Department, was unable to attend.

Also in attendance was Mr. Jerry Walker, Inventory Assistant, General Services Department, who was celebrating 25 years of service.

Mr. Moore announced that Mr. Brian Armstrong was recently promoted to fill the new Water Supply and Resource Development Manager position in the Resource Conservation and Development Department. Mr. Moore introduced Mr. Roy Mazur, P.E., Director, Planning Department, who was newly hired to fill the director position vacated by Mr. Owen.

The Governing Board and staff congratulated all on these milestones and accomplishments. (CD 1/Track 3 – 00:00/15:27)

5. **Election of Officers**

In accordance with Board Policy 110-7, the Governing Board members will participate in an Election of Officers, which occurs in May. During this process, a Chair, Vice Chair, Secretary and Treasurer will be elected. The newly elected officers will assume their duties at the end of the May meeting.

Chair Rice entertained nominations for the position of Chair. Mr. Combee nominated Ms. Whitehead. **A motion was made by Ms. McCree to close nominations, and Ms. Symons seconded the motion. The Board voted unanimously to close nominations and cast their ballots.** Mr. Moore collected the ballots and tallied the results. Chair Rice announced a unanimous vote for Ms. Whitehead.

Chair Rice next entertained nominations for the position of Vice Chair. Mr. Dabney nominated Mr. Combee. **A motion was made by Ms. Rovira-Forino to close nominations, and Ms. Parks seconded the motion. The Board voted unanimously to close nominations and cast their ballots.** Mr. Moore collected the ballots and tallied the results. Chair Rice announced a unanimous vote for Mr. Combee.

Chair Rice next entertained nominations for the position of Secretary. Ms. Whitehead nominated Mr. Pressman. **A motion was made by Mr. Combee to close nominations, and Mr. Dabney seconded the motion. The Board voted unanimously to close nominations and cast their ballots.** Mr. Moore collected the ballots and tallied the results. Chair Rice announced a unanimous vote for Mr. Pressman.

Chair McCree next entertained nominations for the position of Treasurer. Ms. McCree nominated Ms. Closshey. **A motion was made by Mr. Combee to close nominations, and Ms. Whitehead seconded the motion. The Board voted unanimously to close nominations and cast their ballots.** Mr. Moore collected the ballots and tallied the results. Chair Rice announced a unanimous vote for Ms. Closshey. (CD 1/Track 4 – 00:00/08:00)

7. **Approval of Minutes – April 24, 2007 Governing Board Meeting**

Staff recommended approval of the minutes as presented. Following consideration, **Ms. Parks moved, seconded by Ms. McCree, to approve the minutes as presented. Motion carried unanimously.** (CD 1/Track 4 – 08:00/08:19)

8. **Public Input for Issues Not Listed on the Published Agenda**

No one came forward to speak at this point in the meeting.

Chair Rice relinquished the gavel to Regulation Committee Chair Pressman.

Regulation Committee

Committee Chair Pressman announced that Items 30 and 39 were deleted from consideration. Item 40 was moved from Routine Reports to Discussion Items with the addition of the following item: "Concurrence with Executive Director's Emergency Order Authorizing Increased Use of the Tampa Bypass Canal." Mr. Dabney declared a conflict of interest for Item 26; therefore, this item was pulled from the Regulation Consent Agenda for consideration for a separate vote.

Consent Items

Environmental Resource Permits

9. ERP No. 43012284.005 - Redfish Key LLC Multi-slip Dock Modification – Charlotte County
10. ERP No. 43025931.001 - Brooksville Site - Metrontario Group – Hernando County
11. ERP No. 43030774.000 - Sebring Retail Project - The Shops At Shelby Crossing – Highlands County
12. ERP No. 43031807.000 - Sebring Park/Sebring Addition – Highlands County
13. ERP No. 43028721.001 - Mixon Subdivision – Hillsborough County
14. ERP No. 43030709.000 - Westshore Beach Club (a.k.a. Georgetown) – Hillsborough County
15. ERP No. 43031128.000 - FDOT - U.S. Highway 301 - South of Balm Road to Gibsonton Drive - Hillsborough County
16. ERP No. 43031259.001 - Cypress Preserve Drive Extension – Hillsborough County
17. ERP No. 43030658.001 - Cargor VI – Manatee County
18. ERP No. 43031379.000 - Manatee County - Duette Park Borrow Pits – Manatee County
19. ERP No. 43031728.000 - Central Park – Manatee County
20. ERP No. 49031880.003 - River Club Park of Commerce - Residential, Phases 3, 4, and 5 – Manatee County
21. ERP No. 49022088.003 - Hillcrest Preserve - Ph 2 – Pasco County
22. ERP No. 43028650.001 - Handcart Heritage Estates – Pasco County
23. ERP No. 43016239.003 - Water Ski Museum - Modification Phase 2 – Polk County
24. ERP No. 43026576.001 - County Road 54 Apartments – Polk County
25. ERP No. 43032515.000 - First Park at Haines City – Polk County
26. ERP No. 43031615.000 - Hi Hat Ranch Excavation – Sarasota County
27. ERP No. 43032151.000 - Sarasota County - North Cattlemen Road (Richardson Road to DeSoto Road) – Sarasota County

Water Use Permits

28. WUP No. 20007269.006 - W F D- - M J Boran / Boran Farms – DeSoto County
29. WUP No. 20007462.013 - W F I U D- - Calvin Houghland / Bright Hour Ranch – DeSoto County
- ~~30. WUP No. 20012868.000 - W F I N - Spencer Farms, Inc. (Denial) – Hillsborough County~~
31. WUP No. 20003873.007 - W F ~ - Schwartz Farms, Inc. – Sarasota County
32. TWUP No. 20010420.005 - W S ~ - Extension of Temporary Permit for Peace River/ Manasota Regional Water Supply Authority – DeSoto County
33. TWUP No. 20006509.007 - F N- - Extension of a Temporary Permit for Polk County Board of County Commissioners/Polk County Utilities Northeast Regional Utilities Service Area – Polk County

WATER USE PERMIT LEGEND	
W = Water Use Caution Area	N = 100% new quantities
F = Floridan Aquifer	+ = More than 50% new quantities
I = Intermediate Aquifer	N- = 50% or less new quantities
S = Surface Withdrawal	D+ = More than 50% decrease
U = Surficial Aquifer	D- = 50% or less decrease
	~ = no change
R = 100% relocated quantities	
R+ = More than 50% relocated quantities	
R- = 50% or less relocated quantities	

34. **Initiate Rulemaking to Amend 40D-2.091, Florida Administrative Code (F.A.C.), to Change the Due Date for Winter/Spring Irrigation Crop Reports in the Southern Water Use Caution Area**

Staff recommended authorization to initiate rulemaking to amend the Basis of Review for Water Use Permit Applications, Chapter 3, Section 3.3, to make the due date for submittal of the Winter/Spring Crop Reports September 10.

35. **Initiate Rulemaking to Amend Rules 40D-4.051 and 40D-4.091, F.A.C., and the Environmental Resource Permitting (ERP) Basis of Review to Establish Exemptions for Sidewalks, Turn Lanes, Road Widening, Shoulder Paving, Intersection Improvements and Recreational Trails**

Staff recommended approval to initiate rulemaking to amend Rules 40D-4.051 and 40D-4.091, F.A.C., and the ERP Basis of Review to establish exemptions for construction of minor roadway safety projects including sidewalks, turn lanes, road widening, shoulder paving, and intersection improvements and for the construction of recreational trails.

36. **Initiate Rulemaking to Amend Rules 40D-400.443 and 40D-400.447, F.A.C., to Revise Noticed General Environmental Resource Permits to the Florida Department of Transportation for Minor Activities Associated With Bridges and Rights-of-Way**

Staff recommended approval to initiate rulemaking to amend Rules 40D-400.443 and 40D-400.447, F.A.C., to clarify the applicability of these Noticed General Permits to Florida Department of Transportation, counties and municipalities proposing minor activities associated with bridges and rights-of-way.

37. **Orlando Utilities Commission – Lakeland Utilities – Lakeland-Taft Transmission Line Modification of Conditions of Certification – Polk County**

Staff recommended approval of the proposed Agency Report and Conditions of Certification to be submitted to the Department of Environmental Protection for Orlando Utilities Commission proposed Lakeland-Taft Transmission Line Modification of Conditions of Certification.

Following consideration, **Mr. Combee moved, seconded by Ms. Parks, to approve Consent Items 9 through 25, 27 through 29, and 31 through 37. Motion carried unanimously.** (CD 1/Track 4 – 08:19/09:19)

Following consideration, **Ms. McCree moved, seconded by Mr. Combee, to approve Consent Item 26. The motion carried with Mr. Dabney abstaining from the vote.** (CD 1/Track 4 – 09:00/09:34)

Discussion Items

38. **Development of a Statewide Uniform Stormwater Rule**

Mr. H. Clark Hull, Jr., ERP Program Director, Regulation Performance Management Department, said the purpose of this item was to brief the Governing Board on an important statewide rulemaking effort being initiated by the Florida Department of Environmental Protection regarding the regulation of stormwater discharges. A comprehensive history of the rule was provided to the Governing Board for their information, as well as the main components of Chapter 62-40, F.A.C., Water Resource Implementation Rule. Mr. Hull said today scientists and policy makers are questioning

whether or not higher levels of stormwater treatment are needed. Research conducted in Florida over the past decade indicates that the pollutant reduction goals of the Water Resource Implementation Rule have not been consistently met. Achieving these goals requires implementing source controls to limit the generation of pollutants, sound site design to minimize pollutant transport, use of new technologies to remove pollutants, and a site-specific customized approach to target specific pollutants of concern. Mr. Hull presented several techniques, currently in use, that focus on pollution prevention, such as: pervious parking lots, infiltration gardens, and biorention landscaping. Following statutory direction to "achieve a statewide, coordinated and consistent permitting approach," the Department of Environmental Protection and the water management districts have met several times in the past year to discuss development of a statewide stormwater rule to improve stormwater management practices and meet pollution reduction goals. Stakeholder advisory committees will assist in the rulemaking effort.

This item was presented for the Committee's information, and no action was required. (CD 1/Track 4 – 09:34/34:12)

39. **Central Florida Coordination Area Update**

This item was deleted from consideration.

At this time, the Committee considered the following additional item.

Heidt & Associates, Inc. – Petition for Rulemaking to Include Wetland Hydroperiods in Formal Determination of Wetlands and Other Surface Waters

Mr. H. Clark Hull, Jr., ERP Program Director, Regulation Performance Management Department, said on May 2, 2007, the District received a letter from Heidt & Associates, Inc. requesting that the District initiate a process to modify the rules to allow for wetland hydroperiods to be approved as part of the Formal Determination of Wetlands and Other Surface Waters process outlined in Rule 40D-4.042, Florida Administrative Code (F.A.C.).

Staff recommended denial of the Petition for Rulemaking filed by Heidt & Associates, Inc. Following consideration, **Ms. McCree moved, seconded by Mr. Dabney, to approve the staff recommendation. Board members discussed the issue and Chair Rice called the question. The Board unanimously voted to call the question. Motion carried unanimously.** (CD 1/Track 5 – 00:00/06:23)

40. **Demand Management Activities – Concurrence with Executive Director's Emergency Order Authorizing Increased Use of the Tampa Bypass Canal**

Mr. Owen reviewed the key provisions of the Executive Director Order and the Board heard a report from Ms. Sandra Anderson, City of Tampa, regarding the City's conservation and watering restriction enforcement efforts. Governing Board members and staff stressed, to the City of Tampa, the importance of water conservation education, strict enforcement or water restrictions, and most importantly the modification of their rate structures.

Staff recommended concurrence with the issuance of Executive Director Order No. SWF 07-33, an emergency order authorizing increased use of the Tampa Bypass Canal to augment the Hillsborough River Reservoir. Following consideration, **Ms. McCree moved, seconded by Mr. Combee, to concur with Executive Director Order No. SWF 07-33.**

Ms. Closshey moved, seconded by Mr. Combee, to have the Governing Board Chair and the Executive Director send letters to the decision makers, within the District boundaries, recommending the use of the District's water conserving rate structure. Motion carried unanimously. Committee Chair Pressman said he thought a separate letter should be sent to the City of Tampa and each of their council members.

Ms. McCree called the question on her motion, and the Board unanimously voted to call the question. Motion carried unanimously to concur with Executive Director Order No. SWF 07-33.

Mr. Owen pointed out several changes that have been made to the regulation section of the Governing Board packet, such as the removal of the discussion paper associated with each of the ERPs and standard conditions will be included only once. A similar change will be forthcoming to the WUPs section of the packet as well. The Overpumpage Report has been completely redesigned to keep Board members apprised of month-to-month changes. (CD 1/Track 6 – 00:00/37:36)

Ms. Closshey inquired about rainfall predictions for this season. Mr. Owen responded to her inquiry and said that all of the data that he has seen indicates we should receive average to below-average rainfall this season. (CD 1/Track 7 – 00:00/00:45)

Mr. Moore responded to Ms. Closshey's request for an update on desalination facility. He said they are pumping an average of 12 mgd and are considering increasing it up to 20 mgd. They are preparing for the 16-day running test as soon as possible, followed by the 14-day acceptance test. Mr. Owen added that staff is working with Tampa Bay Water and other utilities to obtain their reported water use more quickly, and this will enable to staff to provide the Board with more meaningful data. (CD 1/Track 8 – 00:00/03:39)

Submit & File Reports – None

Routine Reports

The following items were provided for the Committee's information, and no action was required.

41. **Overpumpage Activities**
42. **Southern Water Use Caution Area Quantities**
43. **Major Water Supply Summary**

Committee Chair Pressman relinquished the gavel to Resource Management and Development Committee Chair Combee.

Resource Management and Development Committee

Consent Items

44. **Palm River Restoration Project** (*Presented to the Hillsborough River Basin Board in April*)
Staff recommended approval of the agreement effective as of the first day of June, 2007, with the FDOT for \$750,000, with the District's share not to exceed \$375,000, and the Hillsborough River Basin Board's share not to exceed \$187,500 contingent upon inclusion and approval of the FY2008 budget; and authorize the Executive Director to execute the agreement.
45. **Acceptance of Easements – Lake Hancock Project, SWF Parcel No. 20-503-226C and 20-503-227P**
Staff recommended authorization of the Land Resources Director to accept the conveyance of periodic inundation and conservation easements for SWF Parcel Nos. 20-503-226C and 20-503-227P.
46. **Utility Easement to Lakeland Electric for Circle "B" Bar Reserve Environmental Education Center – Lake Hancock Project, SWF Parcel No. 20-503-230X**
Staff recommended approval to convey a power line easement to Lakeland Electric for the Circle B Environmental Education Center.

47. **Resolution Requesting Funds from the Water Management Lands Trust Fund for Payment in Lieu of Taxes to Charlotte, Citrus, DeSoto, Hernando, and Sumter Counties**

Staff recommended approval of a resolution requesting funds from the Water Management Lands Trust Fund for payments in lieu of taxes to Charlotte, Citrus, DeSoto, Hernando, and Sumter Counties in the total amount of \$310,410.75.

48. **Appraisals, Purchase/Sale Agreements and Resolution Requesting Funds Annutteliga Hammock Project, SWF Nos. 15-228-1287 and 15-228-1288**

Staff recommended:

- (1) Authorization of the Land Resources Director to proceed directly to the Governing Board with appraisals and purchase/sale agreements (which do not exceed the appraised value) for parcels within the northern area of Annutteliga Hammock (Block 1);
- (2) Acceptance of appraisals;
- (3) Approval of purchase/sale agreements;
- (4) Approval of resolution requesting funds; and
- (5) Designation of parcels as having been acquired for conservation purposes.

Following consideration, **Mr. Dabney moved, seconded by Ms. Rovira-Forino, to approve Consent Items 44 through 48. Motion carried unanimously.** (CD 1/Track 9 – 00:00/00:35)

Discussion Items

At this time, the order of consideration was altered.

51. **Hillsborough County – Mosaic Reclaimed Water Project**

Mr. Wirth said the District recently received a request from a project team representing Mosaic Fertilizer for the Board to consider an out-of-cycle funding request involving Hillsborough County's reclaimed water system. While no formal written request for project consideration has been received by the District, a project proposal entitled "SWUCA Water Partnership, Project Proposal," dated May 2, 2007, was provided at a recent meeting. A copy of the proposal was included as an exhibit. Mr. Combee asked that this item be placed on the May agenda because he was not available for the June Governing Board meeting.

The project concept is a public-private partnership between Hillsborough County and Mosaic Fertilizer, LLC, to more economically use surplus reclaimed water. Mr. Wirth said staff would really like more time to consider the project realizing that Mosaic is trying to seize a time-sensitive opportunity.

Mr. Gray Gordon, Vice President, Mosaic Fertilizer, LLC, presented the supplemental water project overview. He explained that Mosaic is well positioned geographically, and it has the water management and storage infrastructure in place to incorporate reclaimed water in its operations. Mr. Gordon introduced Mr. Paul Vanderploog, Director of Hillsborough County's Water Resource Services, who explained that Hillsborough County is poised to take advantage of this water resource project with Mosaic. Mr. Vanderploog introduced Ms. Pat Bean, Hillsborough County Administrator, who said she supports this project because it is an innovative and creative solution to a problem. Ms. Bean introduced Mr. Mark Sharpe, Hillsborough County Commissioner, who said he is very excited about this project because it will free up potable water and help meet demand.

Senator Ronda Storms, who is a former Hillsborough County Commissioner, said she was delighted to address the Governing Board to support a public/private partnership with Mosaic. She said this project provides an opportunity to work with others to come to a unique solution for her district. Senator Storms presented what she considered to be the pluses in arriving at her decision to support the project: SWUCA, timeliness, money saving, TMDLs, and an opportunity for another successful public/private partnership. She

said she understands the Governing Board's resistance to the out-of-cycle request. Senator Storms said she would like to help her constituents and her colleagues in getting this project approved.

Mr. John Wilcox of Saxon Gilmore, who is assisting Mosaic and Hillsborough County in forging this proposed partnership, addressed the Governing Board to discuss how this project would fit into the District's SWUCA Recovery Strategy. He relayed a supportive message from Senator Paula Dockery. Mr. Wilcox displayed a project schematic, reviewed the project costs, explained the creation of a not-for-profit corporation that would filter funding sources, reviewed the funding request, and presented the project timeline. (CD 1/Track 9 – 00:35/01:06:35)

Board members engaged in a lengthy discussion with Mosaic and District staff regarding time sensitive issues that may justify an out-of-cycle funding request. Board members raised many questions to the regional benefits of the project. (CD 1/Track 9 – 01:06:35/01:54:07)

Following consideration, **Ms. Closshey moved, seconded by Ms. Parks, for the Governing Board to express its interest and appreciation in this project today by requesting staff to proceed with the investigation and review of the project, to present this to the Basin Boards, to work the project into the FY2008 budget process, and to encourage Hillsborough County to proceed with this project to the fullest degree possible.**

Following additional discussion, **Ms. McCree called the question, and the Board unanimously voted to call the question. The motion carried with seven members voting in favor and four members voting in opposition. Those opposed were Messrs. Combee, Rice and Pressman; and Ms. Glass.** (CD 1/Track 9 – 01:54:07/02:10:27)

Ms. McCree said she thought it would be helpful to get an overview of where the District stands on reclaimed water, as well as an update on the SWUCA.

Chair Rice recessed the public hearing for a lunch break.

49. **Review of the District's Funding Policy for Development of Brackish Groundwater Supplies**

Mr. Gregg W. Jones, P.G., Director, Resource Conservation and Development Department, said the purpose of this item is to recommend the Governing Board reaffirm its long-standing position of funding only the feasibility elements of brackish groundwater projects from the Intermediate and Upper Floridan aquifers. At the April 2007 Pinellas-Anclote River Basin Board meeting, the City of Tarpon Springs requested the Basin Board fund its project to desalinate brackish groundwater to develop a potable water supply. After a lengthy discussion, during which District staff reminded the Basin Board members of the Governing Board's position on not funding these types of projects, the Basin Board requested that the Governing Board reconsider its position.

At the March 2006 Governing Board meeting, staff recommended that the Governing Board formally adopt this position and presented its rationale for the recommendation. Contrary arguments were presented to the Board from numerous interested parties and following a lengthy discussion, the Board voted six to three in favor of the staff recommendation. This is consistent with the approach recently agreed to by the Florida Department of Environmental Protection; and the South Florida, the St. Johns River, and the Southwest Florida Water Management Districts for the Central Florida Coordination Area (CFCA), and complies with the directives in Senate Bill 444.

Committee Chair Combee heard public comment on this item at this time.

Ms. Beverly Billiris, Mayor, City of Tarpon Springs, addressed the Governing Board saying that this project has the support of her Board and their constituents. The project is both unique and beneficial.

Ms. Ellen Posivach, City Manager, City of Tarpon Springs, said this was a cost effective project and not a money making enterprise. Ms. Posivach said an independent study indicated this water would be released into the Gulf of Mexico if not redirected and used.

Mr. Jake Varn, representing the City of Tarpon Springs, said this was an opportunity for the City of Tarpon Springs to be more independent of other water suppliers. Mr. Varn argued that this project will have impacts but not negative impacts. He said about 75 percent of the water pumped will be used; anyone who receives money from the District is being subsidized. He noted that the City has been planning for this project for the past five years. The City has great per capita use numbers, and this is a cost effective way to produce potable water. Mr. Varn asked the Governing Board to re-evaluate its policy on why this project should not be funded.

Mr. John Mulvihill, Public Works Director, City of Oldsmar, addressed the Governing Board and asked that the Board members reconsider their policy rejecting the funding of alternative water resource projects such as this one. This would open up the Board's review process and allow flexibility to consider each project on its own merits.

Mr. Dabney said he would be more inclined to look at funding some of these smaller water resource supply projects if they were going to be owned by the regional water supply authority because, ultimately, they are responsible for supplying water to the region.

Mr. Moore said this project does not lessen the competition for groundwater and the District should only help fund projects that benefit the region.

Ms. Closshey said she would like the opportunity to have a meeting with Tampa Bay Water to discuss strategic issues such as this type project, especially looking forward to the next partnership agreement in 2010 when it is time to re-evaluate.

Chair Rice said he has been troubled by this Board policy for a long time now. He said if there is an opportunity to use brackish water and it does not negatively impact the aquifer, why wouldn't the District help develop it. Ms. Parks concurred with Chair Rice's comments. Mr. Pressman said Senate Bill 444 allows for the funding of brackish water projects. Ms. McCree said it may be prudent not to act today on a case-by-case basis but to consider re-evaluation of this policy along with others after the special legislative session.

Staff recommended the Governing Board reaffirm its long-standing policy of funding only the feasibility elements of brackish groundwater projects developed in the Upper Floridan aquifer. (CD 1/Track 10 – 00:00/01:00:27)

Following consideration, **Ms. Closshey moved, seconded by Ms. McCree, that the Governing Board agrees to place consideration of this practice for review as part of the other policies and practices that will be reviewed during the budget process this year.**

Ms. Whitehead inquired what the City of Tarpon Springs would do with the excess water produced. Ms. Posivach said potentially the City would sell the excess. In response to Ms. Symons' inquiry, Ms. Posivach said selling excess water was only one option; the City

would not necessarily produce water at the facility's maximum capability at the onset but rather wait until future growth determined that level of use.

Ms. Rovira-Forino said she felt this needed to be evaluated as a separate project. Her reasons were that the Governing Board has pointed out some of the project's shortcomings. The City of Tarpon Springs diligently went back to work on those shortcomings and the Pinellas-Anclote River Basin Board asked the Governing Board to give this project further consideration.

Mr. Dabney said he supports the staff recommendation to reaffirm its long-standing policy of funding only the feasibility elements of brackish groundwater projects developed in the Upper Floridan aquifer.

Mr. Moore said staff is looking for reaffirmation of this policy as a way to guide the cooperative funding program. It helps applicants know what the expectations of the program are going to be year-to-year and helps staff evaluate the hundreds of projects that come in for consideration.

Following discussion, **the Board voted on Ms. Closshey's motion. The motion carried with six members voting in favor and five members voting in opposition. Those opposed were Messrs. Dabney and Pressman; and Mesdames Glass, Whitehead and Symons.**

Chair Rice suggested the Board and staff make this a formal policy moving forward so decision making can be consistent. (CD 1/Track 10 – 01:00:27/01:21:36)

50. **Minimum Flows for Tampa Bypass Canal, Sulphur Springs and the Lower Hillsborough River and Recovery Strategy for Lower Hillsborough River**

Martin H. Kelly, Ph.D., Manager, Resource Conservation and Development Department, presented the proposed minimum flows for the Tampa Bypass Canal (TBC), Sulphur Springs and the Lower Hillsborough River (LHR) with a discussion of the proposed Recovery Strategy for the LHR. The District has now prepared and had peer reviewed minimum flow documents for three watercourses: the TBC, Sulphur Springs, and the LHR. At the request of several interested parties, the Board agreed to delay adoption of minimum flow rules until all the proposed minimum flows had been developed and peer reviewed for all three water bodies.

For the LHR Minimum Flow, the District report proposed a minimum flow of 20 cfs, essentially doubling the previously established minimum flow. While the peer review panel made several recommendations, the most substantive one suggested that the proposed minimum flow be increased to 24 cfs during the months of April, May and June due to the increased seasonal importance of the estuarine nursery habitat. District staff concurs with this recommendation.

The proposed minimum flows for Sulphur Springs were based on three ecological criteria: (1) maintain low salinity habitats in the spring run; (2) provide flow to reduce salinity in the LHR; and (3) maintain a thermal refuge for manatees in the lower river during cold winter months. It was determined that a flow of 18 cfs to the spring run would meet all criteria and was the recommended minimum flow for routine use. It was proposed, however, that this minimum flow could be adjusted under two sets of conditions. First, the minimum flow can be reduced to 10 cfs during low tides, as this will not cause the incursion of high-salinity river water into the spring run and thus not violate criterion 1. In evaluating criteria 2 and 3, the District examined the response of salinity and water temperature in the lower river to discharges of spring water at the base of the dam and at the spring run outfall. The findings support the adequacy of the minimum flows for the spring run recommended by criterion 1, when used in conjunction with the 10 cfs minimum flow at the dam. One

condition, however, was that the minimum flow to the spring run should remain at 18 cfs if water temperatures in the LHR near the spring outfall fall below 59 degrees Fahrenheit in order to maintain a thermal refuge for manatees.

The Tampa Bypass Canal minimum flow study recognized that the watershed could not supply necessary flows to maintain a complete salinity gradient below the S160 structure. The peer review panel noted in their review that under low flow conditions the amount of freshwater passing through S160 was actually detrimental to the environment as fish species tended to migrate up the canal towards the source of flow, only to find an unsuitable habitat and often declining flows. However, the peer review panel stated that a low salinity habitat in the area of McKay Bay would be very desirable in restoring prior benefits of the Palm River. Based on the peer review findings, staff is recommending a minimum flow of zero cfs at S160 and exploring opportunities to create a low salinity habitat in McKay Bay.

Regarding the Recovery Strategy for LHR, as required by statute, if the actual flow of a water course is below the proposed minimum flow or is projected to fall below the proposed minimum flow over the next 20 years, a "recovery strategy" is developed as part of the minimum flow development process. In the case of the LHR, a recovery strategy is needed. The proposed recovery strategy was outlined in the Board packet.

This item was presented for the Committee's information, and no action was required today. Staff anticipated returning to the Board at its June 26, 2007 meeting to request adoption of the proposed minimum flows rules including a reservation of 11 cfs from TBC, and approval of an agreement with the City of Tampa for funding of the proposed recovery strategy for the LHR.

Resource Management and Development Committee Chair Combee relinquished the gavel to Committee Vice Chair McCree.

Committee Vice Chair McCree heard public comment on this item at this time.

Mr. Tony D'Aquila, Environmental Protection Commission (EPC) of Hillsborough County, said while the EPC accepts the 20 cfs to 24 cfs MFL for the LHR, it does not accept the seasonal adjustment because the EPC feels it is linked to demand. The EPC is concerned about the zero MFL for the TBC. The EPC believes this is due to the current configuration of the Palm River which could change over time; therefore, the EPC would be more comfortable with an MFL that is not recommended at this time.

Dr. Rich Brown, Friends of the River, said the organization he represents has concerns about timeliness and actual implementation. The group will review all the reports and come back next month to provide input.

Ms. Jan McLean, City of Tampa Assistant City Attorney, reported that the City continues to work diligently on this as she reported last month. It is very important to the City that the Recovery Strategy be implemented in phases and that it be cooperatively funded. (CD 1/Track 11 – 00:00/35:10)

52. **Peace River/Manasota Regional Water Supply Authority Activities Update**

Mr. Pat Lehman, Executive Director, Peace River/Manasota Regional Water Supply Authority, provided the Board with an overview of the Authority's water supply system, including updates on the status of the Integrated Regional Water Supply Master Plan, Regional Loop System, Reservoir Expansion, Water Treatment Plant Expansion, and additional information on its Drought Action Plan.

This item was presented for the Committee's information, and no action was required.

(CD 1/Track 12 – 00:00/15:34)

Submit & File Reports – None

Routine Reports

The following items were provided for the Committee's information, and no action was required.

53. **Significant Water Supply and Resource Development Projects**
54. **Land Resources Department Significant Activities**
55. **Florida Forever Status Report**
56. **Minimum Flows and Levels Status Report**
57. **Hydrologic Conditions Status Report**
58. **Structure Operations Status Report**

Committee Vice Chair McCree relinquished the gavel to Finance and Administration Committee Chair Closshey.

Finance and Administration Committee

Consent Items

59. **Board Travel**
As of May 16, 2007, no travel was planned for outside the geographic boundaries of the District.
60. **Budget Transfer Report**
In accordance with Board Policy No. 130-8, all transfers approved by the Basins, Executive Director and Finance Director under delegated authority are regularly presented to the Finance and Administration Committee for approval on the Consent Agenda at the next scheduled meeting. The exhibit for this item reflects all such transfers executed since the date of the last report for the Committee's approval. Staff recommended approval of the Budget Transfer Report covering all budget transfers for April 2007.
61. **Storage Area Network – Additional Storage Capacity**
Staff recommended approval of the transfer of \$155,000 from General Fund Contingency Reserves to the Information Resources Department for the purchase of additional storage capacity for the Storage Area Network.
62. **Water Protection and Sustainability Trust Fund – Approval of Resolution 07-12, Reallocation of Funds Appropriated by the State in Fiscal Year 2006**
Staff recommended approval of the reallocation of \$562,000 in FY2006 Water Protection and Sustainability Trust Funds from project H050 to project F032.

Following consideration, **Ms. Parks moved, seconded by Mr. Combee, to approve Consent Items 59 through 62. Motion carried unanimously.** (CD 1/Track 13 - 00:00/00:55)

Discussion Items

The following item was added for the Committee's consideration.

Fiscal Year 2008 Budget Update

Ms. Closshey said the District originally planned to conduct the Fiscal Year 2008 Budget Workshop at this time. The Governor's office is trying to provide a measure of tax relief to the citizens of the state of Florida in terms of a reduction in the ad valorem tax burden. As Treasurer, Ms. Closshey said she felt it was important to wait for direction from the Governor and the Legislature before the District completes the preparation of the tentative budget. The Special Legislative Session to consider a variety of approaches to rollback ad valorem taxes will be held June 12 through June 22. By the June Governing Board meeting, staff should know the

results of the Special Session and be prepared to review the preliminary impact on the water management districts. An annual special budget meeting has been scheduled for July 12, which will include the adoption of the proposed millage rates. Mr. Schiller reviewed the revised budget calendar. (CD 1/Track 13 - 00:55/11:04)

63. **Peace River Basin Board Request for Governing Board Matching Funds for Rural Economic Development Initiative**

Mr. Rand Frahm, Manager, Planning Department, said at its meeting on April 6, 2007, the Peace River Basin Board requested that the Governing Board assist in the funding of cooperative funding projects that qualify for a waiver or reduction in matching fund requirements pursuant to the Rural Economic Development Initiative (REDI), a state program aimed at coordinating and focusing the state's existing programs to benefit rural communities. One provision of the statutes governing REDI, enacted in 2001, encourages state and regional agencies to waive or reduce the matching requirements of existing funding programs. Over the past four fiscal years, the Peace River Basin Board has typically funded projects submitted by qualifying communities at 75 percent rather than the 50 percent share traditionally provided through the District's cooperative funding program. The Peace River Basin Board has stated that it faces a unique financial burden in funding REDI projects, since most of the qualified communities in the District are situated within its basin. The Basin Board is requesting that the Governing Board pay half of the additional cost incurred by the District when projects are funded at greater than 50 percent. There are 14 projects in the Basin Board's FY2008 budget for which the cooperators are requesting a reduced funding match. Under the Basin Board's proposal, the Governing Board contribution for these 14 projects would be \$606,444. Considering only the 10 projects ranked 1A or High, the Governing Board contribution would be \$310,704. If the Governing Board does not participate in funding of the REDI projects, the Basin Board will need to decide whether or not to fund these projects at 75 percent as it has done in the past. Doing so could result in fewer projects receiving Basin Board funding in FY2008.

Staff recommended the Governing Board continue its current practice of funding Districtwide and regionally significant projects, while deferring funding of local cooperative funding projects to the Basin Boards. Ms. Symons noted that the Peace River Basin is probably the poorest region and they do as much as they can.

Following consideration, **Mr. Dabney moved, seconded by Ms. McCree, to approve Discussion Item 63. Motion carried unanimously.** (CD 1/Track 14 - 00:00/08:40)

Submit & File Report

The following item was provided for the Committee's information, and no action was required.

64. **Treasurer's Report, Payment Register, and Contingency Reserves Report**

Routine Reports

The following items were provided for the Committee's information, and no action was required.

65. **Management Services Status Report**

66. **April 2007 Interim Report on Workforce and Vendor Diversity**

Committee Chair Closshey relinquished the gavel to Outreach and Planning Committee Chair Whitehead.

Outreach and Planning Committee

Consent Items – None

Discussion Items

67. Legislative Update

Mr. David Rathke, Director, Community and Legislative Affairs Department, said the 2007 Legislative Session ended on May 25. Both the House and Senate passed the budget on May 24 so while there was a last minute push on a few issues and some heated debate regarding a few bills, nothing substantial passed in the waning hours. However, the Legislature could not agree on property tax reform and subsequently that issue will be taken up during a Special Session scheduled to begin June 12 and last until June 22.

The Legislature passed Senate Bill 2800 which is the budget for Fiscal Year 2007-2008. More than \$153 million was allocated for water projects. All of the District's priorities that went into conference committee were funded at some level. In addition, many local governments that the District supports through its Cooperative Funding program received water project funding. For the 16-county area that the District serves, this totaled nearly an additional \$25 million. Three ongoing State Issues remain as follows: aggregate mining, tax reform, and sunset review.

Mr. Moore said legislation to increase the number of District Governing Board members from 11 to 13 is now waiting final approval from Governor Crist. This legislation adds one new seat for Polk County; adds one new at-large seat for Sarasota and Charlotte counties; revises the at-large seat that is currently appointed from Levy, Marion, Citrus, Sumter, Hernando and Lake to Levy, Citrus, Sumter and Lake Counties; and revises the seat that is currently appointed from Levy, Marion, Citrus, Sumter, Hernando, Lake, Sarasota, Hardee, DeSoto, Charlotte, and Highlands to Marion and Hernando Counties. Ms. Kavouras presented a graphic further clarifying that the new at-large seats shall be appointed to a term of office commencing after expiration of the term of the person serving in that seat. The two new seats created shall be appointed as soon as possible in 2007 to terms which expire on March 1, 2011.

This item was presented for the Committee's information, and no action was required.
(CD 1/Track 15 – 00:00/10:35)

68. Strategic Plan Update

Mr. Kurt P. Fritsch, Inspector General, said the purpose of this agenda topic is to provide the District Governing Board a status report for updating the District's Strategic Plan. He said he hopes to answer the following questions: Why, What, Who, How, and When. Using an example to explain the "Why," he quoted an article that read 10 percent of Fortune 1000 companies suffered a loss exceeding 25 percent of shareholder value within one month of announcing a surprise.

A Governing Board-approved Strategic Plan brochure outlining the District's strategic direction, priority initiatives, and intended actions will be produced. The brochure will serve also as a "capstone" document from which tactical action plans will be developed, enhancing the Governing Board's level of satisfaction by refining the tracking and reporting methodology for Board meetings; and improving alignment and non-duplication of strategies, tactics and efforts.

The District's Executive Director chartered a Strategic Management Team comprised of directors and managers representing all four District divisions: Outreach and Planning, Resource Regulation, Resource Management, and Management Services. To ensure that the team meets its goals, the Executive Director also created a Steering Committee

through the charter and assigned Executive sponsors to monitor the team's progress and to evaluate product quality. In order to meet the chartered goals, the team has developed a detailed project plan, a high-level project timeline, and a strategic map tool to keep the team focused.

This item was presented for the Committee's information, and no action was required. (CD 1/Track 15 – 10:35/24:27)

69. **Peace River Watershed Awareness Week Overview**

Ms. Kendra Antoine, Senior Communications Coordinator, Communications Department, said the Peace River Basin Board has been funding watershed education since FY2005. Funding has been used for outreach to the general public, schools, homeowners, decision-makers, small farm owners and septic tank owners. These audiences have been reached through a variety of methods including publications, field trips, workshops, a teacher institute, special events, presentations and grant projects. As a result of a facilitated strategic planning exercise in which District staff participated, four "Spanning the Watershed" events were planned for April 2007. These special events, one each in Polk, Hardee, DeSoto and Charlotte counties, were designed to increase awareness of the Peace River watershed and result in individual and community actions that benefit the watershed. Ms. Antoine presented a very nice pictorial overview as she explained the details and benefits of each event. In addition to the special events, Communications and Community and Legislative Affairs staff coordinated with government representatives to have April 14–21, 2007, declared Peace River Watershed Awareness Week. These government representatives included the Peace River Basin Board; the Boards of County Commissioners for Polk, Hardee, DeSoto and Charlotte counties; and both the Florida House of Representatives and the Senate. Of the more than 3,100 people who participated in watershed education during the four events, 1,000 demonstrated their commitment to watershed protection by signing a pledge. Additional awareness was generated by media coverage in *The Ledger*, the *Polk County Democrat* and the *Sun Herald*.

This item was presented is for the Committee's information, and no action was required. (CD 1/Track 16 – 00:00/11:49)

Submit & File Reports – None

Routine Reports

The following items were provided for the Committee's information, and no action was required.

- 70. **Comprehensive Plan Amendment and Related Reviews Report**
- 71. **Review of Developments of Regional Impact**
- 72. **Upcoming Events**

Committee Chair Whitehead relinquished the gavel to Chair Rice.

General Counsel's Report

Consent Items 75, 76, 77 and 79 were deleted from consideration.

Consent Items

- 73. **Consent Order – ERP No. 44027538.000 – David Watson (Lake Arietta Reserve) – Polk County**

Staff recommended approval of the consent order and to authorize the initiation of litigation in the event that David Watson fails to comply with the consent order.

74. **Settlement Agreement – ERP No. 43030774.000 - Russell J. Fryman, as Co-Trustee for the Virginia B. Fryman Trust and Russell J. Fryman as Personal Representative for the Estate of Virginia B. Fryman, Deceased vs. Sebring Retail Associates, LLC and SWFWMD – DOAH Case No. 07-0110 - Highlands County**
Staff recommended approval of the Stipulation and Settlement Agreement in the matter of Russell J. Fryman, As Co-Trustee for the Virginia B. Fryman Trust and Russell J. Fryman as Personal Representative for the Estate of Virginia B. Fryman, Deceased vs. Sebring Retail Associates, LLC and SWFWMD – DOAH Case No. 07-0110.
75. **Initiation of Litigation – Surface Water Activity - Hristos and Joanne Malissovass – Pasco County** - This item was deleted from consideration.
76. **Initiation of Litigation – Surface Water Activity – Summertimes Ranch, Inc. – Polk County** - This item was deleted from consideration.
77. **Initiation of Litigation – ERP No. 43023915.002 – Central Suburban, Inc. (Lakes at Lucerne Park) – Polk County** - This item was deleted from consideration.
78. **Initiation of Litigation – WUP Nos. 2007704.004 and .005– Country Club Utilities, Inc. – Highlands County**
Staff recommended authorization of the initiation of litigation against Country Club Utilities, Inc. and any other appropriate parties to obtain compliance, to recover an administrative fine/civil penalty for permit condition violations, and to recover District enforcement costs, litigation costs and attorney's fees. Chair Rice was provided some details on this case by Mr. Pepper regarding compliance. Mr. Pepper said the District is trying to encourage the Utility to put into place a conservation rate structure that would help them come into compliance and the District would assist them with the Public Service Commission.
79. **Initiation of Litigation – Well Construction – License No. 9352 – Tim Miller – Hillsborough County** - This item was deleted from consideration.

Following consideration, **Ms. Parks moved, seconded by Mr. Pressman, to approve Consent Items 73, 74 and 78. Motion carried unanimously.** (CD 1/Track 17 – 00:00/12:00)

Discussion Items – None

Submit & File Reports – None

Routine Reports

The following items were provided for the Committee's information, and no action was required.

80. **Litigation Summary and Report**
81. **Rulemaking Update**

Reports

82. **Agricultural Advisory Committee Liaison Report**
Ms. Kavouras said the Committee met on May 15, 2007. A rulemaking report was presented on the Northern District Strategies. At the meeting, Mr. Owen presented an update on the Central Florida Coordination Area activities, Dr. Kelly presented MFLs, and Mr. DeHaven made a presentation on the FARMS program revisions. (CD 1/Track 18 – 00:00/01:27)
83. **Green Industry Advisory Committee Liaison Report**
Ms. Symons provided this report and she said the following topics were presented: SWUCA Rulemaking, Districtwide Water Supply Conservation, Northern WUCA Consideration, GIS Project Update, and Reclaimed Water for Irrigation. (CD 1/Track 18 – 01:27/04:21)

84. **Executive Director's Report**

- Mr. Moore said the Reality Check exercise for the Tampa Bay Area was well attended by Board members and staff.
- The Hillsborough County EPC is looking to do a feasibility study involving program delegation to the District. Mr. Moore said, as this issue unfolds, he will report back.
- The most recent contract with Tampa Bay Water has been executed by its Board. Mr. Moore made it clear that this and all contracts is based upon annual appropriations.
- Mr. Moore said District staff was saddened by the loss of fellow employee Mr. John Parker and former Hernando County employee Ms. Kay Adams.

85. **Chair's Report**

Mr. Moore said District staff is grateful to Mr. Rice for his service as Chair of the Governing Board this past year. Chair Rice thanked his fellow Board members for their patience and volunteerism as well. (CD 1/Track 18 – 04:21/11:19)

Public Input

No requests to address the Board were submitted.

There being no further business to come before the Board, **Mr. Combee moved, seconded by Mr. Dabney, to adjourn the meeting. Motion carried unanimously.** (CD 1/Track 18 – 11:19/12:41)

The meeting was adjourned at 5:15 p.m.

Attest:

Chairman

The Southwest Florida Water Management District does not discriminate upon the basis of any individual's disability status. This non-discrimination policy involves every aspect of the District's functions including one's access to, participation, employment, or treatment in its programs or activities. Anyone requiring reasonable accommodation, as provided for in the Americans with Disabilities Act, should contact the Executive Department, telephone 1-800-423-1476 (Florida only), extension 4610; TDD ONLY 1-800-231-6108 (Florida only); FAX 352-754-6874.