

APPROVED

MINUTES OF THE MEETING

Governing Board Southwest Florida Water Management District

Brooksville, Florida

June 24, 2008

The Governing Board of the Southwest Florida Water Management District (SWFWMD) met at 9:00 a.m. on June 24, 2008, at Brooksville headquarters. The following persons were present:

Board Members Present

Neil Combee, Chair
Todd Pressman, Vice Chair
Jennifer E. Closshey, Secretary
Ronald E. Oakley, Treasurer
Bryan Beswick, Member
Patricia M. Glass, Member
Hugh Gramling, Member
Albert G. Joerger, Member
Sallie Parks, Member
Maritza Rovira-Forino, Member
H. Paul Senft, Member
Judith C. Whitehead

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

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 Combee called the meeting to order and opened the public hearing. Ms. Closshey noted a quorum was present. (CD 1/Track 01 - 00:00/01:27)

2. Pledge of Allegiance and Invocation

Chair Combee led the Pledge of Allegiance to the Flag of the United States of America. Mr. Bilenky offered the invocation. (CD 1/Track 02 - 00:00/03:38)

Public Hearing

Chair Combee noted that this Governing Board meeting was being broadcast to the Bartow, Sarasota, and Tampa Service Offices. Public input was only taken during the meeting onsite. The Governing Board's meeting was recorded for broadcast on government access channels.

Chair Combee 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 speaker's 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 speaker's card may be submitted for comment at the end of the meeting during "Public Input." Chair Combee 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. She 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 or deletions to the published agenda will only be made for "good cause" as determined by the "person designated to preside." Mr. Moore noted the following items were deleted from the agenda after publication of the regular agenda. (CD 1/Track 02 - 00:00/02:08)

Meeting and Public Hearing

The following item was deleted from consideration:

4. Oath of Office for Newly Appointed Board Member

Consent Agenda

The following item was deleted from consideration:

23. WUP No. 20007686.004 - Waller Ranch (***DENIAL***)/Charles D. and Cynthia A. Waller – Pasco County

4. **Oath of Office for Newly Appointed Board Member**

This item was deleted from the agenda.

Item 5 was heard out of order but is listed in sequential order for this set of minutes.

5. **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 celebrated 20-year milestones: Mr. Steven DeSmith, Professional Geologist, Operations Department; Ms. Annette Zielinski, Senior Administrative Assistant, Executive, and Mr. James P. Marshall, Senior Field Technician, Brooksville Regulation.

After serving 30 plus years, two employees are retiring at the end of June: Ms. Annie Taylor, Procedures Analyst, Regulation Performance Management, and Ms. Carol Compton, Messaging Administrator, Information Resources Department. This item was presented for the Board's information, and no action was required. (CD 1/Track 03 - 00:00/07:45)

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

Dr. Octavio Blanco addressed the Governing Board regarding the worldwide decline in frog population. He believes this to be correlated with the loss of habitat wetlands and encouraged the Governing Board to implement policies that protect wetlands. He also talked about global warming and said he has read articles that associate the destruction of wetlands as a contributing factor of global warming. (CD 1/Track 2 - 02:08/05:18)

Consent Agenda

Item 23 was deleted from consideration. Item 32.a. was moved for a separate vote due to a voting conflict by Mr. Beswick.

Regulation Committee -- Environmental Resource Permits

7. ERP No. 43005379.003 - Bermont Road Excavation – Charlotte County
8. ERP No. 43009630.035 - Four Seasons at Crystal Springs – Hernando County
9. ERP No. 43013881.046 - Hernando County Airport Industrial Park, Unit 1 – Hernando County
10. ERP No. 43018888.017 - Waterset - Phase 2A – Hillsborough County
11. ERP No. 43031631.001 - Big Bend Distribution Center – Hillsborough County

12. ERP No. 44032439.000 - The Palms at Lynn Road and Anderson Road (***DENIAL***) – Hillsborough County
13. ERP No. 43032901.004 - Ryan Business Center Phase 1 – Hillsborough County
14. ERP No. 43022520.001 - Watson Borrow Pit – Levy County
15. ERP No. 43031972.000 - Snug Cove – Pasco County
16. ERP No. 49004217.009 - Saddle Creek Warehouse Modification – Polk County
17. ERP No. 43031455.000 - Polk County - CR 655 (Berkley Road) from Old Dixie Highway to Pace Road – Polk County
18. ERP No. 43031965.001 - High-N-Dry Boat Storage Pier Addition – Polk County
19. ERP No. 46016205.002 - Heron House Sarasota Addition (***DENIAL***) – Sarasota County
20. ERP No. 44030824.000 - Highland Park (***DENIAL***) – Sarasota County

Regulation Committee -- Water Use Permits

21. WUP No. 20004153.009 - Rolling Oaks Utilities/Rolling Oaks Utilities, Inc. – Citrus County
22. WUP No. 20002386.009 - Joshua Water Control District – DeSoto County
- ~~23. WUP No. 20007686.004 - Waller Ranch (***DENIAL***)/Charles D. and Cynthia A. Waller Pasco County~~

Regulation Committee -- Other

24. **Approve Initiation of Rulemaking to Amend Section 1.7.23 of the Environmental Resource Permit (ERP) Basis of Review (BOR) and Appendix 5 of the ERP BOR to Maintain Protection for the Bald Eagle**
Staff recommended to approve staff's request to initiate rulemaking, approve the proposed rule language and authorize staff to complete the rulemaking process, provided no substantive comments are received requesting changes to the proposed rules.

Resource Management Committee

25. **2008 Water Supply Assessment and 2010 Regional Water Supply Plan Update**
Staff recommended that the Governing Board concurrence in the determination that a regional water supply plan will be prepared (updated) for all the counties located in the District.
26. **Appraisals and Purchase/Sale Agreement – Lower Manatee River Floodway Project, SWF Parcel No. 21-602-110**
Staff recommended to (1) accept the appraisals; (2) approve the purchase/sale agreement; and (3) designate SWF Parcel 21-602-110 as having been acquired for conservation purposes.
27. **Appraisals, Purchase/Sale Agreements and Resolution Requesting Funds – Annutteliga Hammock Project, SWF Parcel Nos. 15-228-1290, 1293 and 1294**
Staff recommended to (1) accept the appraisals; (2) approve the purchase/sale agreements; (3) approve resolution requesting funds; and (4) designate SWF Parcel Nos. 15-228-1290, 1293 and 1294 as having been acquired for conservation purposes.
28. **Appraisals and Purchase/Sale Agreement – Lake Hancock Project, SWF Parcel Nos. 20-503-106 and 20-503-106P**
Staff recommended to (1) accept the appraisals; and (2) approve the purchase/sale agreement.
29. **Appraisals and Purchase/Sale Agreement – Lake Hancock Project, SWF Parcel No. 20-503-136**
Staff recommended to (1) accept the appraisals; and (2) approve the purchase/sale agreement.
30. **Land Use and Management Plan for the Chito Branch Reserve**
Staff recommended approval of the Land Use and Management Plan for the Chito Branch Reserve.
31. **Land Use and Management Plan for the Conner Preserve**
Staff recommended approval of the Land Use and Management Plan for the Conner Preserve.
32. **Facilitating Agricultural Resource Management Systems (FARMS)**
 - a. **Billy H. Haygood, Trustee D Hancock Marital Trust – Hancock Groves Phase II – DeSoto County**

Staff recommended to (1) approve the Island Grove Agricultural Products Farm #6 FARMS Project for a not to exceed project reimbursement of \$285,000, with \$71,250 provided by the Peace River Basin Board, \$71,250 provided by the Governing Board, and \$142,500 provided from State Appropriations; (2) authorize the transfer of \$71,250 from fund 020 H017 Peace River Basin Board FARMS funds, \$71,250 from fund 010 H017 Governing Board FARMS funds, and \$142,500 from the 2008 State Appropriations allocated to fund 010 H017 FARMS funds, to H556 Island Grove Agricultural Products Farm #6 FARMS project fund; and (3) authorize the Executive Director to execute the agreement.

b. **Orange-Co LP – DeSoto County**

Staff recommended to (1) approve the Orange-Co, LP project for a not-to-exceed project reimbursement of \$131,250 with \$32,813 provided by the Peace River Basin, \$32,813 provided by the Governing Board, and \$65,625 provided from State Appropriations; (2) authorize the transfer of \$32,813 from fund 020 H017 Peace River Basin Board FARMS funds, \$32,813 from fund 010 H017 Governing Board FARMS funds, \$9,888 from the 2007 State Appropriations allocated to fund 020 H017 FARMS funds, and \$55,737 from the 2008 State Appropriations allocated to fund 010 H017 FARMS funds, to H555 Orange-Co, LP project fund; and (3) authorize the Executive Director to execute the agreement.

c. **Island Grove Agricultural Products, Farm 6 – DeSoto County**

Staff recommended to (1) approve the Landscaping, Sod, and Irrigation, Inc. FARMS Project for a not-to-exceed project reimbursement of \$127,500, with \$31,875 provided by the Peace River Basin Board, \$31,875 provided by the Governing Board, and \$63,750 provided from State Appropriations; (2) authorize the transfer of \$31,875 from fund 020 H017 Peace River Basin Board FARMS funds, \$31,875 from fund 010 H017 Governing Board FARMS funds, and \$63,750 from the 2008 State Appropriations allocated to fund 010 H017 FARMS funds, to H557 Landscaping, Sod, and Irrigation, Inc. FARMS project fund; and (3) authorize the Executive Director to execute the agreement.

d. **Landscaping, Sod, and Irrigation, Inc. – DeSoto County**

Staff recommended to (1) approve the Landscaping, Sod, and Irrigation, Inc. FARMS Project for a not-to-exceed project reimbursement of \$127,500, with \$31,875 provided by the Peace River Basin Board, \$31,875 provided by the Governing Board, and \$63,750 provided from State Appropriations; (2) authorize the transfer of \$31,875 from fund 020 H017 Peace River Basin Board FARMS funds, \$31,875 from fund 010 H017 Governing Board FARMS funds, and \$63,750 from the 2008 State Appropriations allocated to fund 010 H017 FARMS funds, to H557 Landscaping, Sod, and Irrigation, Inc. FARMS project fund; and (3) authorize the Executive Director to execute the agreement.

e. **WFA Land Company, Inc. – Manatee County**

Staff recommended to (1) approve the WFA Land Company, Inc. project for a not-to-exceed project reimbursement of \$135,000 with \$33,750 provided by the Manasota Basin Board, \$33,750 provided by the Governing Board, and \$67,500 provided from 2005 State Appropriations; (2) authorize the transfer of \$33,750 from fund 010 H017 Governing Board FARMS funds, \$33,750 from fund 021 H017 Manasota Basin Board FARMS funds, \$67,500 from the 2005 State Appropriations allocated to fund 021 H017 Manasota Basin Board FARMS funds, to H558 WFA Land Company, Inc. project fund; and (3) authorize the Executive Director to execute the agreement.

f. **Balaban Farms, LLC – Hillsborough County**

Staff recommended to (1) approve the Balaban Farms, LLC FARMS Project for a not-to-exceed project reimbursement of \$312,500, with \$44,688 provided from the Hillsborough River Basin Water Supply and Resource Development Reserves, \$33,437 provided by the Hillsborough River Basin, \$78,125 provided by the Governing Board, and \$156,250 provided from 2008 State Appropriations; (2) authorize the transfer of \$44,688 from fund 013 H100 Hillsborough River Basin Water Supply and

Resource Development Reserves, \$33,437 from fund 013 H017 Hillsborough River Basin FARMS funds, \$78,125 from fund 010 H017 Governing Board FARMS funds, and \$156,250 from the 2008 State Appropriations allocated to fund 010 H017 FARMS funds, to the H559 Balaban Farms project fund; and (3) authorize the Executive Director to execute the agreement.

33. **Surface Water Improvement and Management (SWIM) Program**

a. **Sawgrass Lake Restoration Project**

Staff recommended to approve the agreement with the City of St. Petersburg for the relocation of the City's water transmission line for an amount not to exceed \$800,000 and authorize the Executive Director to sign the agreement. Funds to come from the existing reserve (in B085).

b. **Clam Bayou Stormwater Treatment and Habitat Restoration Project**

Staff recommended to (2) a) Approve the amendment with the City of St. Petersburg to provide an additional \$200,000 from funding currently allocated in W242 for land acquisition costs, including potential condemnation costs, and authorize the Executive Director to sign the agreement; and (2) authorize the Executive Director to send a letter to the City of St. Petersburg formally requesting that the City pursue condemnation proceedings to acquire the final properties necessary for the Clam Bayou Stormwater Treatment and Habitat Restoration Project.

c. **Urban Lake Rescue**

Staff recommended to (1) authorize the transfer of \$41,955 from the Hillsborough River Basin Board's Stormwater Implementation Reserves Fund (Z969), to W268, Urban Lake Rescue Project for Lake Roberta improvements; (2) authorize the transfer of \$94,961 from the Northwest Hillsborough Basin Board's Stormwater Implementation Reserves Fund (Z969), to W268, Urban Lake Rescue Project for Lake Kipling improvements; and (3) authorize the Executive Director to approve and execute an amendment to the agreement.

Finance & Administration Committee

34. **Board Travel**

Staff recommended to approve Governing Board travel as designated below:

<i>Name(s)</i>	<i>Purpose</i>
Jennifer E. Closshey	2008 Serve to Preserve Florida Summit on Global Climate Change Miami June 25-26, 2008
Hugh M. Gramling Sallie Parks Maritza Rovira-Forino H. Paul Senft, Jr.	Florida Chamber's 22 nd Annual Environmental Permitting Summer School Marco Island July 15-18, 2008

35. **Budget Transfer Report**

Staff recommended approval of the Budget Transfer Report covering all budget transfers for May 2008.

36. **Approve Budget Transfer for Computer Model Software Upgrades**

Staff recommended to approve the budget transfer within Regulation Performance Management in the amount of \$117,000 for CHAN[®], ICPR[®], and PONDS[®] computer modeling software upgrades and associated staff training.

37. **Geographic Information System Site License**

Staff recommended to (1) authorize the District's Executive Director to execute a three-year software enterprise site license agreement with the Environmental Systems Research Institute for a total cost not to exceed \$1,266,000 subject to annual appropriation by the Governing Board as part of the District's annual adopted budget for fiscal years 2009 and 2010; and (2) authorize a \$155,461 budget transfer from the Mapping and GIS Section, Operations Department to the Information Resources Department to fund the ESRI software site license agreement.

38. **Enhanced Data Submittal Web Portal**

Staff recommended to approve the transfer of \$171,000 from the AMR Pilot and Outsourced Flow Meter Accuracy Projects to the Information Resources Department to create an enhanced web data submittal portal with graphics, graphs, and tools to help permittees conserve water.

39. **Adopt Resolutions to Identify New Slate of Officers for Financial Documents**

Staff recommended to (1) adopt Resolution No. 08-12 authorizing the signatures of the newly elected officers of the Governing Board of the District and the use of facsimile or manual signatures on all warrants or checks of the District; and (2) adopt the *SunTrust Deposit Account Resolution and Authorization for Business Entities* document to identify the new slate of officers and authorized signers.

General Counsel's Report

40. **Consent Order – WUP No. 20002978.008 - Gulf Landings Development Corporation, Pasco Reserve, Inc., and Lindrick Service Corporation – Pasco County**

Staff recommended to approve the proposed Consent Order and authorize the initiation of litigation against Gulf Landings Development Corporation, Pasco Reserve, Inc., and Lindrick Service Corporation to obtain compliance with the Consent Order.

41. **Final Order of Dismissal with Prejudice – EX No. 5523 - Diehl Family Limited Partnership v. SWFWMD – Hillsborough County**

Staff recommended entering a Final Order of Dismissal with Prejudice dismissing the untimely request for administrative hearing filed by Diehl Family Limited Partnership.

Executive Director's Report

42. **Approve May 27, 2008 Governing Board Meeting Minutes**

Staff recommended to approve the minutes as presented.

Following consideration, **Ms. Closshey moved, seconded by Mr. Senft, to approve the Consent Agenda as amended. Motion carried unanimously.**

Following consideration, **Ms. Closshey moved, seconded by Ms. Parks, to approve Item 32.a. Motion carried with Mr. Beswick abstaining from the vote due to a conflict.**
(CD 1/Track 02 - 05:18/06:07)

Chair Combee relinquished the gavel to Regulation Committee Chair Parks.

Regulation Committee

Discussion Items

43. **Consent Item(s) Moved for Discussion** - None

44. **Hydrologic Conditions Status Report**

Mr. Granville Kinsman, Manager, Hydrologic Data Section, said this routine report provides information on the general state of the District's hydrologic conditions, by comparing rainfall, surface water, and groundwater levels for the current month to comparable data from the historical record. Currently, the District is transitioning from the dry season to the wet season. In addition to needing rainfall, the District should stay the course and continue the once-per-week lawn watering restrictions. These measures will contribute to recovery from the persistent impacts from a two-year drought.

This item was presented for the Committee's information, and no action was required.
(CD 1/Track 04 - 00:00/08:02)

Committee Chair Parks heard public comment at this time.

Dr. Octavio Blanco addressed the Governing Board regarding his continued concern for the 11 lakes monitored in Pasco County that remain low. He does not like to see headlines, in the *St. Petersburg Times* for example, declaring that the drought is over when area lakes have not shown improvement. He suggested the Governing Board

encourage messaging to the public to continue to conserve water resources. (CD 1/Track 05 - 00:00/03:54)

Ms. Closshey said that, on a recent trip to Georgia, she observed signs depicting the lake levels as it relates to the current drought conditions their area is experiencing. She suggested that the District may want to incorporate some similar type signage along with the current signs being used to further convey the overall drought conditions to the public. (CD 1/Track 06 - 00:00/02:11)

45. **Approve Fourth Modification to Water Shortage Order No. SWF 07-02**

Ms. Lois Ann Sorensen, Demand Management Coordinator, Water Use Program, Regulation Performance Management Department, said in response to the ongoing drought applicable provisions of the District's Water Shortage Plan (Rule 40D-21, Florida Administrative Code) have been activated. On January 9, 2007, the District issued Water Shortage Order No. SWF 07-02 to declare once-per-week lawn watering restrictions and other modified Phase II (Severe Water Shortage) restrictions for the entire 16-county area. Since that time, the Governing Board has extended the water shortage restrictions to June 30, 2008.

Based on the combination of drought indicators specified in the Water Shortage Plan, District staff believe that current conditions warrant continuing the current water shortage declaration through September 30, 2008. Staff will continue to monitor hydrologic conditions so that these restrictions can be modified or rescinded prior to the expiration date if sufficient drought recovery occurs.

Staff recommended the Governing Board approve the Fourth Modification to Water Shortage Order No. SWF 07-02 to extend the current modified Phase II restrictions through September 30, 2008 and to expand the order to include all of unincorporated Marion County in accordance with the Interagency Agreement with the St. Johns River Water Management District.

Mr. Moore said it is important to note that historically the District focused water restrictions on the dry time of the year; he said he has come to realize after working in water management for decades that some of the best opportunities for water conservation is during the summer months when it is raining.

Committee Chair Parks heard public comment at this time.

Dr. Octavio Blanco said that he was glad that the District was extending the watering restrictions until September 30, 2008; however, he believes that the message should be clearer than what the public is currently being sent. He believes it would be more beneficial for the public to understand that water resources need to be restored and this is not something that will happen in short order but rather over time. Dr. Blanco believes extending out deadlines sends a message that recovery is right around the corner. He suggested setting permanent watering restrictions or ones with lengthier timeframes.

Mr. Glenn Greer, Pasco County Utilities, said the County is in support of staff's recommendation and urged the Governing Board to vote in favor.

Following consideration, **Mr. Gramling moved, seconded by Mr. Senft, to approve the staff recommendation. Motion carried unanimously.** (CD 1/Track 07 - 00:00/22:17)

46. **Amendments to 40D-2.091, Florida Administrative Code (F.A.C), and Part B, Basis of Review, of the Water Use Permit Information Manual to Expand the Southern Water Use Caution Area Per Capita Requirements Districtwide**

Mr. Jay Yingling, Senior Economist, Planning Department, said the District uses per capita water use as a measure of efficiency among utilities. Per capita and reporting requirements have become more refined with successive rule revisions but differ across the District. In August and September 2007, the Governing Board approved for adoption amendments to Chapter 40D-2, F.A.C., to extend the SWUCA per capita and reporting requirements to those portions of the District outside the SWUCA.

Staff have presented at workshops and advisory committee meetings and held meetings with concerned utilities. Revisions have been made to the proposed rules in response. Many of the SWUCA provisions will be expanded to the rest of the District. They include utility service area delineation/reporting, refined significant use deductions, consistent population estimation methodology, 150 gallons per capita per day (gpcd) compliance, residential water use/dwelling unit reporting, and reclaimed/stormwater reporting.

Changes that have already been implemented based on input include reinstate reclaimed water per capita credit, deduct permitted golf course quantities, permitted stormwater per capita credit, and unusual establishment needs.

Some additional issues that have been raised include: service areas with predominantly single family residential housing, deduction of common area irrigation, service areas where private irrigation wells are prohibited, service areas with unusually low persons per household, and deductions and credits need to be addressed in calculation of permitted quantities.

Staff proposed to formalize the permit application permitted quantity calculation process in which projected allowable deductions are explicitly incorporated into the future allowable withdrawals. This will provide additional assurance that a permittee that is in compliance with the 150 gpcd compliance standard will not likely face an overpumpage compliance issue. Additionally, staff proposed to allow utilities with low persons per household to recalculate service area population using 2.01 persons per household if the 150 gpcd is achieved through other means.

In summary, the goal of these changes is to provide greater consistency in calculation of per capita water use, provide a more level playing field, track and encourage development of alternative sources, and fix glitches.

Ms. Closshey suggested that staff seek ways to incorporate the use of real time data collection when available to get closer to the issue. Mr. Owen said staff would certainly take advantage of that type of data delivery whenever possible.

Staff are scheduled to take these proposed amendments to the July 8, 2008 Public Supply Advisory Committee meeting. It should be noted that all the aforementioned parties that have expressed concerns with the rule revisions are members of the Advisory Committee. Subsequent to receiving input at the Advisory Committee and incorporating appropriate input, staff will bring the proposed rule revisions back to the Governing Board for approval in August 2008.

Regulation Committee Chair Parks heard public comment at this time.

Mr. Edward de la Parte, Attorney, representing his clients, the Bay Laurel Community Development District, who service the development On Top of the World in Marion County, said this community is one of those with low persons per household. He said these proposed changes are a step in the right direction; however, he feels there is still work to be done to level the playing field and he will continue to work with District staff to move in that direction.

This item was presented for the Committee's information, and no action was required.
(CD 1/Track 08 - 00:00/36:15)

47. **Approval to Initiate Rulemaking to Amend ERP Rules 40D-4.091 and the Basis of Review Regarding Mitigation for Impacts to Wetlands and Other Surface Waters**

Mr. H. Clark Hull, Jr., ERP Program Director, Regulation Performance Management, said the purpose of this item is to clarify certain provisions in Environmental Resource Permitting (ERP) rules pertaining to mitigation for adverse impacts to wetlands and other surface waters.

Section 373.414(1)(b), Florida Statutes states: "If the applicant is unable to otherwise meet the criteria set forth in this subsection, the governing board or the department, in deciding to grant or deny a permit, shall consider measures proposed by or acceptable to the applicant to mitigate adverse effects that may be caused by the regulated activity."

Sections 3.3 through 3.3.8 in the ERP Basis of Review establish criteria to be followed by District staff in evaluating mitigation proposals and to be followed by applicants in providing reasonable assurance of mitigation success.

Staff has identified several issues that can affect the long term ecological viability, through the use of conservation easements, such as mitigation for adverse impacts to wetlands and other surface waters. Other issues regard the potential necessity for the applicant to provide financial assurances that the conservation easement will be monitored and maintained in perpetuity and/or the development of a recertification process that would provide the necessary assurance of long term success. Additionally, in recognition of new Federal rules regarding mitigation, staff would like to consider improvements to ERP criteria pertaining to wetland creation, restoration and enhancement, and opportunities for greater consistency with Federal rules.

Rule 40D-4.091, F.A.C., incorporates by reference those documents and agreements cited within ERP rules. Coincident with revisions to the Basis of Review, this section must also be revised to reflect those revisions and to indicate the new effective date.

District staff will schedule the item for discussion with each of the ERP Advisory Groups and with any interested Governing Board Advisory Committees. Final proposed rule language will be brought to the Governing Board for approval at a future date.

Staff recommended to approve the initiation of rulemaking to amend Rule 40D-4.059, F.A.C., and Sections 3.3 through 3.3.8 of the ERP Basis of Review to clarify provisions related to mitigation.

Ms. Glass sought assurance that local governments would have an opportunity to comment before the final rulemaking. Mr. Hull said he anticipated the participation of local governments during the public hearing process.

Mr. Joerger asked if the conservation easements would be monitored on an annual basis. Mr. Hull said there could be improvements on compliance but he feels confident the new rules will be a step towards better compliance monitoring. Mr. Joerger said there was a big push in the private sector towards conservation easements. Committee Chair Parks suggested staff make presentations to the Basin Boards regarding this rulemaking.

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

Mr. Don Ross, Earth Balance, said he was in favor of the proposed rulemaking. He said, in his opinion, the District has done an excellent job handling mitigation banking and conservation easements. He thought this was a great way to bring the rule up-to-date.

This rule update will provide certainty for the industry where cost-decisions are the key to success.

Following consideration, **Ms. Closshey moved, seconded by Mr. Gramling, to approve the staff recommendation. Motion carried unanimously.** (CD 1/Track 09 - 00:00/18:49)

Submit & File Reports – None

Routine Reports

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

48. **Southern Water Use Caution Area Quantities**

49. **Water Production Summary**

Mr. Owen called the Board's attention to a report, which was handed during the meeting that contained Tampa Bay Water's (TBW's) annual production numbers. They had been hitting the required 25 mgd mark, however, they may have trouble meeting that mark for the month of June due to some repairs that needed to be done at the desalination facility. Ms. Closshey said she was pleased to receive this report. She hopes the reliance test on the desalination facility goes well and recognizes that this test is in place for everyone's benefit. Mr. Owen updated the Board on the repairs to the reservoir. He said, after speaking to staff at TBW, it is likely they will have to go through a drawdown period next year as well to continue the repairs. Ms. Rovira-Forino said she wanted to thank Mr. Jerry Seeber and his staff at TBW for their open communication practices.

50. **Public Supply Benchmarks**

Mr. Owen said the report containing the information on the consolidated wellfield shows that TBW is on track to meet the 90 mgd benchmark. (CD 1/Track 10 - 00:00/09:16)

51. **Overpumpage Report**

Mr. Pressman commented that the Overpumpage Reports seemed very low. Mr. Owen said this may be partially due to the fact that staff has made a concerted effort to move the permits that go into overpumpage through the process more expeditiously.

52. **Resource Regulation Significant Initiatives Report**

Regulation Committee Chair Parks relinquished the gavel to Resource Management Committee Chair Gramling.

Resource Management Committee

Discussion Items

53. **Consent Item(s) Moved for Discussion – None**

Committee Chair Gramling noted that Item 56 would be considered out of order.

56. **Overview of Activities and Advancements Related to Aquifer Recharge Using Reclaimed Water**

Mr. Mark D. Barcelo, Hydrologic Evaluation Program Director, Resource Projects Department, said this information was being provided in response to a request from the Governing Board following discussion of the proposed Water Partners Inc. (WPI) reclaimed water project at the May 2008 meeting. Staff provided an overview of the District's experiences with Upper Floridan aquifer (UFA) recharge projects.

Aquifer recharge is significant because of its water supply potential; therefore, it is important to understand the issues associated with direct injection of reclaimed water in the aquifer. Mr. Barcelo presented an overview of recharge related activities and issues in the region, as well as throughout the state and nation. His presentation included an overview of technological advancements that benefit reclaimed water recharge projects and discussed projects such as the proposed WPI project and the recent proposal that is being considered by the City of Clearwater.

The first area that was identified is located in the inland portions of eastern Hillsborough and western Polk counties where the water quality in the UFA is generally considered to be potable. The second area is located along the coastal portions of Hillsborough County where saltwater intrusion has been a concern. Potential benefits of recharging the aquifer in the coastal area versus the inland area include reduced pipeline costs and fewer permitting restrictions. These potential benefits are because of the proximity of the coastal area to some of the major reclaimed water sources in Hillsborough County that are being considered for the project and the fact that the water quality in deep portions of the UFA is generally not considered potable.

This item was presented for the Committee's information, and no action was required. (CD 1/Track 10 - 09:16/52:15)

54. **Cooperative Funding Initiative Project Status Report – Water Partners, Inc. Reclaimed Water Project**

Mr. David L. Moore, P.G., Executive Director, provided the Governing Board with an update on activities associated with the Water Partners, Inc. (WPI) Reclaimed Water Project that have occurred since the Governing Board's May 27, 2008 meeting. He mentioned that all eight basin boards had received a project update at the June meetings.

The project team continues to meet regularly, with attendees representing WPI (Hillsborough County, Mosaic, and Tampa Electric Company), City of Tampa, City of Lakeland, Polk County, the Florida Department of Environmental Protection, Tampa Bay Water, and the District. Plant City and Temple Terrace have been added to the invitee list for all future meetings. The Infrastructure Sizing, Regulation and Recharge, and Governance subcommittees met on May 30, June 4, and June 9, respectively. The goal is to bring a concrete project proposal to the various Boards for consideration in late July and early August.

At the conclusion of the June 10 meeting, the project team discussed the schedule of team meetings over the next few months. The team has since met on June 23. The remaining project team meetings are scheduled for July 8, July 15 and July 22. The subcommittees will continue to meet as the project's scope and cost estimate are further refined.

Mr. Moore said the project and partners continue to change as discussions progress and the project takes shape. Two major components have emerged: (1) a project to provide reclaimed water to industrial users and (2) a project to create opportunities for additional groundwater withdrawals in the Southern Water Use Caution Area (SWUCA) through recharge of reclaimed water in southeastern Hillsborough County and/or western Polk County. This past week considerable discussion time was spent on the potential of developing a Government Utility Authority (GUA). The District would like to take the lead in the recharge component of the project. Mr. Moore said he anticipates asking the Board for approximately \$500,000 in July for a recharge analysis. The District is in the process of putting together a project steering committee and a request for qualifications. The next team meeting is July 8 where the District will seek final approval of the list of qualifications for the recharge component from the workgroup. He briefly commented on four major workings that will tie the project together: a project pathway, governance, proposal for the recharge component, and a commitment by all parties.

Board members commended Mr. Moore for his leadership role in handling this project; he said it was a large group effort. Ms. Rovira-Forino said she appreciated how business has been conducted with an open door. She commented that the project will have to have a new name; Mr. Moore said a new project name is being considered.

This item was presented for the Committee's information, and no action was required. (CD 1/Track 11 - 00:00/16:20)

55. **District's Watershed Management Program and Federal Emergency Management Agency (FEMA) Map Modernization**

Mr. Mark A. Hammond, Director, Resource Projects Department, said this is an information item to provide the Board with an update on the status of the District's Watershed Management Program and associated Federal Emergency Management Agency (FEMA) Map Modernization, including the District's role in the FEMA process. Staff provided this update in advance of public meetings that are anticipated to be held in late July or August 2008 for Hernando and Pasco Counties and September 2008 for Sarasota County.

The District initiated a partnership with the FEMA to modernize Flood Insurance Rate Maps (FIRMs) as part of our Watershed Management Program (WMP). Flood protection and floodplain information has been a priority at the District since the inception of the organization. Many of the existing maps do not accurately represent the flood prone areas either because the initial studies were technically limited or the maps are outdated due to significant land use changes since completion. The District recognized a potential funding partner in FEMA as they had mutual goals to improve the existing FIRMs to better identify risks of flooding within the District. To date, the District has received approximately \$11.2 million in federal funds from FEMA for countywide map modernization projects for Pasco, Sarasota, Hernando, Marion, Polk, Hardee, Desoto, Citrus, Sumter, Levy, and Highlands counties.

Mr. Hammond said the process identified several issues focusing on technical methodologies, quality control and public input. The issues were grouped into the following categories: Rainfall Duration, Quality Control/Peer Review, Outreach, and Schedule. Staff will continue to update the Board monthly either through the routine reports or as a committee discussion item.

This item was presented for the Committee's information, and no action was required. (CD 1/Track 12 - 00:00/36:22)

Submit & File Report

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

57. **Staff Response to the Peer Review of "Scientific Peer Review of the Proposed Minimum Flows and Levels for the Lower Peace River and Shell Creek"**

Routine Reports

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

- 58. **Florida Forever Funding Status Report**
- 59. **Minimum Flows and Levels Status Report**
- 60. **Structure Operations Status Report**
- 61. **Watershed Management Program and FEMA Map Modernization Status Report**
- 62. **Significant Water Supply and Resource Development Projects**

Committee Chair Gramling relinquished the gavel to Chair Combee.

Chair Combee recessed the public hearing for a brief lunch break and a closed attorney-client session.

Following the break, Chair Combee relinquished the gavel to Outreach and Planning Committee Chair Rovira-Forino.

Outreach and Planning Committee

Discussion Items – None

Submit & File Report

63. **Fiscal Year 2008 Media Messaging Overview**

Ms. Closshey led a discussion about the District continuing to promote water conserving messaging and initiatives until drought recovery has been achieved. She had some suggestions using a gauge, tracking rainfall received, as a public marker, totaling how we are recovering overall since the drought began two years ago. Mr. Combee concurred with Ms. Closshey's idea. He liked the simplicity of the message. Ms. Parks said a great way to spread the word is through community associations. Mr. Pressman said the Communications Department does a great job in getting the message out to the public. Mr. Gramling said it may be difficult to correlate the number of inches of rainfall and drought recovery; they may not always add up that way. He pointed out that it would be possible to see measurable results in lake levels with less rainfall than expected and this would create a confusing situation to the public. Ms. Glass believes consistency would be the best measure. She explained that she felt if we are often changing watering restrictions we are sending the message that recovery is right around the corner. Mr. Moore said he will have staff bring back some recommendations to a future meeting.

This item was submitted for the Committee's information, and no action was required. (CD 1/Track 13 - 00:00/15:06)

Routine Reports

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

- 64. **Comprehensive Plan Amendment and Related Reviews Report**
- 65. **Development of Regional Impact Activity Report**
- 66. **Speakers Bureau**
- 67. **Significant Activities Report**

Committee Chair Rovira-Forino relinquished the gavel to Finance and Administrative Committee Chair Oakley.

Finance and Administration Committee

Discussion Items

- 68. **Consent Item(s) Moved for Discussion** - None
- 69. **Fiscal Year 2009 Recommended Annual Service Budget**

Finance and Administrative Committee Chair Oakley thanked the Governing Board, Basin Boards, District staff, and cooperators for their collaborative efforts in compiling this year's budget. He said the proposed budget reflects ad valorem revenue based on millage rates maintained at the same levels as fiscal year 2008, and utilizing the initial June 1 estimates of taxable property values that were received from the District's 16-county Property Appraisers. The District will not know the actual values until the Certifications of Taxable Value are received sometime after July 1. He said today staff will show how the fiscal year 2009 budget remains focused on meeting the District's highest priorities, with a long-term commitment to funding vital programs and projects through partnerships.

Mr. Gene Schiller, Deputy Executive Director, Division of Management Services, reviewed the FY2009 Budget Calendar of Critical Dates, highlighting the time period of July 1 through 14, when the District expects to receive the Certifications of Taxable Values from the Property Appraisers. In July the Governing Board adopts the Proposed Millage Rates and the Basin Boards will adopt the Final Millage Rates in August. The Tentative and Public Budget Hearings will be conducted on September 16 and September 30, respectively. The FY2009 Recommended Budget of \$369.7 million represents a \$25.3 million (6.4 percent) decrease from the FY2008 Budget. This reflects tax reform and housing decline with ad valorem revenue \$22.2 million (9.6 percent) lower than FY2008.

The District has been delegated significant increases in statutory direction and delegated responsibilities with no growth in staff since 1997: only three full-time employees have

been added since 1993. The District outsources \$75.8 million (21 percent) of budgeted expenditures and continues to operate on a pay-as-you-go basis. Mr. Schiller discussed the FY2009 Ad Valorem Impacts and presented a graphic showing the Proposed FY2009 Millage Rates by Basin with the accompanying Proposed FY2009 Budget. He said the District will remain on course and continue to meet its mandates.

Ms. Elaine Kuligofski, Director, Human Resources and Risk Management Department, presented the Efficiency and Environmental Stewardship Efficiency and Effectiveness Achievements. Management continues to evaluate and reallocate vacancies to higher priorities. The District reduced turnover from 11.48 percent in FY2006 to 4.6 percent for the first six months of 2008. The District received an annual *Best Places to Work* award for large employers in Hernando County for a second consecutive year. Other key initiatives that are in development include the Water Management Information System, Enterprise Project Management System, Land Resources Information System, and the Enterprise Content Management.

Environmental efficiency enhancements categories include District Technology, District Operations, and Florida Water Star Program. Some of the specific achievements are video teleconferencing, power and cooling for Data Centers, recycling programs, and a light fixture retrofit. Ongoing efficiency/effectiveness efforts include realigning Resource Regulation into five departments to take advantage of the investment in the Water Management Information System Initiative and save a million dollars annually. For the first six months of FY2008, the Citizen Volunteers Initiative has logged in 299 volunteer events, 1,401 volunteers, 9,835 volunteer hours, and had an estimated value of \$207,389.

Mr. Roy Mazur, Director, Planning Department, reviewed the Strategic Alignment map focusing on the business process line. Using a pie chart diagram, Mr. Mazur said the FY2009 Allocation by Program depicts total expenditures at \$363.9 million. Mr. Mazur reviewed the program budget and highlighted the major budget items in each program area and explained the significant variances from FY2008. The six major areas of the program budget are Water Resources Planning and Monitoring; Acquisition, Restoration and Public Works; Operation and Maintenance of Lands and Works Program; Regulation Program, Outreach Program, and Management and Administration Program.

Every year the District does a Budget Priority Exercise where major District tasks or responsibilities are ranked from highest to lowest priorities. Each task or responsibility is then categorized into groups A, B, C, or D. Mr. Mazur said for FY2009, 98 percent of all tasks or responsibilities fall into categories A or B.

Ms. Linda Pilcher, Assistant Director, Finance Department, reviewed the General Fund Millage Rate Options using the June 1 initial estimates of taxable property values provided by the 16-county Property Appraisers. Ms. Pilcher used historical data and a graph to explain the evolution of the District's spending levels and how dollars have been spent on water supply and resource development. The FY2009 Proposed Millage Rates and Capacity, Revenues by Source, and Intergovernmental Revenues, were all presented. Overall, the FY2009 Budget Summary shows a decrease of \$25.3 million, or 6.4 percent from the adopted FY2008 budget.

Mr. Mark Hammond, Director, Resource Projects Department, provided an overview of the FY2009 Funding Requests for Water Supply and Water Resource Development Projects. The Financial Engine Presentation from last October 2007 predicted the District would be spending \$73.5 million on FY2009 Water Supply and Water Resource Development Projects. The June Proposed Budget for FY2009 has \$78.9 million in ad valorem based funding allocated for these projects. Mr. Hammond said this shows that the Financial

Engine is a good indicator of what will be needed moving forward out to the year 2025. FY2009 Water Supply and Water Resource Development Projects were listed in detail on page 33 of the Recommended Annual Service Budget presentation handout Mr. Hammond also reviewed the Water Protection and Sustainability Trust Fund historical funding and the proposed allocation for FY2009. Funds allocated for FY2009 are \$1.425 million and include four projects. (CD 1/Track 14 - 00:00/15:06)

Submit & File Report

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

70. **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.

71. **April 2008 Interim Report on Workforce and Vendor Diversity**
72. **Management Services Status Report**

Finance and Administration Committee Chair Oakley relinquished the gavel to Chair Combee.

General Counsel's Report

Discussion Items

73. **Consent Item(s) Moved for Discussion** - None

Submit & File Reports – None

Routine Reports

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

74. **Litigation Report**
General Counsel Bilenky reported that steps towards the Weeki Wachee attraction being a state park October 1, 2008 are coming along as planned. The Florida Department of Environmental Protection is conducting interviews for a park manager. (CD 1/Track 15 - 00:00/00:58)

75. **Rulemaking Update**

Reports

76. **Green Industry Advisory Committee Liaison Report**

Mr. Senft said the Committee met on May 29, 2008. He said the Committee heard several excellent presentations, such as Strategic Planning, Year-Round Conservation Measures Rule Revisions, and the Drought Update. He said the Committee set their agenda for the next meeting. (CD 1/Track 16 - 00:00/01:10)

77. **Agricultural Advisory Committee Liaison Report**

Mr. Gramling said the Committee met on May 29, 2008. He congratulated Ms. Cara Martin who was elected as Chair of the Committee and Mr. Mac Caraway, who was re-elected as Vice Chair. Mr. Gramling said the Committee heard several of the same current issues and presentations that are being discussed. (CD 1/Track 17 - 00:00/00:53)

78. **Environmental Advisory Committee Liaison Report**

Mr. Pressman said the Committee met on June 9, 2008. The Committee heard presentations on Year-Round Conservation Measures Rule Revisions and the Drought Update. Mr. Eric Shaw, DEP, discussed the steps necessary to reclassify the Alafia River and the Tampa Bypass Canal. The Committee set the agenda for their September meeting. (CD 1/Track 18 - 00:00/01:22)

79. **Executive Director's Report**

Mr. Moore reported the highlights from the June 13 meeting among the DEP and the five Water Management Districts. A press release from the Governor's office regarding the Everglades was provided to the Governing Board during Mr. Moore's discussion. This Thursday and Friday is the Climate Conference to be held in Miami. Ms. Closshey will attend that conference as she is the Board's liaison for green initiatives. A lot of discussion was heard regarding year-round water conservation and what variations there may be among the Water Management Districts. Also, reclaimed water was discussed and ways to ensure its efficient use. A State Water Congress will be held September 25 – 26, 2008, in Orlando, which will include 110 delegates and five break-out sessions. Mr. Moore said more than a dozen statewide topics were covered at the DEP/WMD Quarterly meeting. (CD 1/Track 19 - 00:00/17:01)

80. **Chair's Report**

Chair Combee said he has been hearing a lot of discussion lately regarding the potential prohibition of St. Augustine grass at the local government level. He suggested looking into partnering with the University of Florida for some technical advice or the development of a model ordinance. Mr. Gramling concurred with the idea of partnering with the University of Florida because they have done the research and have the science. He said, in his opinion, St. Augustine grass does not require any more water than any other type of grass; it is just that people are not educated on properly watering.

Mr. Owen said District staff members are in touch with other organizations and committees regarding issues such as a potential ban on St. Augustine. He believes an issue like this one may best be handled through a regulatory permitting process that would encourage less turf coverage and the employment of less water intensive turfs.

Mr. Moore said he would be interested in scheduling the University of Florida to present information to the Governing Board at a future meeting.

Chair Combee discussed with his fellow Board members the current Committee structure and whether or not they had a desire to change the process or keep the current structure as it is. Board members said they preferred the current set-up as it is with the entire Board hearing Committee items.

Chair Combee handed out Board Policy 110-7, Election of Governing Board Officers, with some draft changes for Board members to review and consider. Chair Combee said this item would be scheduled to come back to the Board at its July meeting.

Mr. Moore said, with regards to the Board Policy 110-7, Election of Governing Board Officers, staff is recommending two changes, one being to state the order in which officers are elected, and the other about clarifying who presides if the Secretary is absent.

Ms. Rovira-Forino said she would like to recognize Pinellas County for their spearheading efforts with water conservation and green initiatives. Ms. Parks thanked Ms. Rovira-Forino for the compliments. She noted that Pinellas County has worked hard for years to conserve resources.

Mr. Oakley said the Lake Panasoffkee Restoration Council met June 19 and hopes to complete the dredging by August or September.

There being no further business to come before the Board, **Ms. Parks moved, seconded by Mr. Oakley, to adjourn the meeting. Motion carried unanimously.**

The meeting was adjourned at 3:50 p.m. (CD 1/Track 19 - 17:01/37:01)

Attest:

Chairman

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