

APPROVED

MINUTES OF THE MEETING

Governing Board Southwest Florida Water Management District

Bartow, Florida

July 29, 2008

The Governing Board of the Southwest Florida Water Management District (SWFWMD) met at 9:00 a.m. on July 29 2008, at the Polk County Administration Building. 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
Hugh Gramling, Member
Albert G. Joerger, Member
Sallie Parks, Member
H. Paul Senft, Member
Judith C. Whitehead, 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

Patricia M. Glass, Member
Maritza Rovira-Forino, Member

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.

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.

Public Hearing

Chair Combee noted that this Governing Board meeting is being broadcast live but not to the District's offices; it is being streamed to the internet. Public input will only be taken at this meeting location. The Governing Board's meeting is also being recorded for broadcast on government access channels. To ensure a high quality recording, please remember to speak directly into the microphone.

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. 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 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 01 - 00:00/03:53)

Meeting and Public Hearing

The following item is deleted from consideration:

4. Oath of Office for Newly Appointed Board Member

Consent Agenda

The following item is deleted from consideration:

38. Settlement Agreement – Lance H. Ham et al. v. City of Plant City, Hillsborough County and SWFWMD 13th Judicial Circuit Case No. 05-CA-9419 – Hillsborough County

Regulation Committee

The following item is added for consideration:

- Governing Board Concurrence with Executive Director's Issuance of Executive Director Order No. SWF 08-024, Regarding Use of the Alafia River Project

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

This item was deleted from the agenda.

5. **District Recognition – West-Central Florida Water Restoration Action Plan Check Presentation**

Senator J.D. Alexander presented the District's Governing Board a ceremonial check for \$15 million for the District's West-Central Florida Water Restoration Action Plan (WRAP). Senator Alexander thanked the Governing Board and District staff for their leadership in supporting this project. He also thanked Gov. Charlie Crist for including the WRAP in his 2008-09 budget request to the Legislature. He noted that the funding will help restore water quality and natural systems, and create sustainable water supplies in the Southern Water Use Caution Area (SWUCA), which includes all or part of Charlotte, DeSoto, Hardee, Highlands, Hillsborough, Manatee, Polk and Sarasota counties.

This item was presented for the Board's information, and no action was required. (CD 1/Track 01 - 03:53/08:38)

6. **District Recognition – Florida Stormwater Association Outstanding Achievement Award**

Mr. Mark A. Hammond, Director, Resource Projects Department, said the District received the Outstanding Achievement Award in the project category for the Lake Maggiore Restoration project. The award was presented at the Florida Stormwater Association Annual Conference on June 13, 2008. The District (through the Pinellas-Anclote Basin Board), along with the City of St. Petersburg, began lake restoration efforts at Lake Maggiore in 2004. The project consisted of the dredging, dewatering and disposal of over 1.3 million cubic yards of organic lake sediments.

This item was presented for the Board's information, and no action was required. (CD 1/Track 1 - 08:38/10:00 – Track 2 – 00:00/00:22)

7. **Employee Recognition**

Mr. Moore said Mr. Sam Singletary is the first District employee to complete 40 plus years of service. Mr. Singletary, who plans to retire at the end of this week, started his District

career in surveying in 1968. The Governing Board members and District staff congratulated Mr. Singletary on his remarkable service record and retirement. Ms. Closshey noted that Mr. Singletary and his family have been friends for many years, and said she appreciates his dedication and service to the District.

This item was presented for the Board's information, and no action was required.
(CD 1/Track 2 – 00:22/04:00)

Chair Combee thanked Polk County for hosting the Governing Board and District staff for today's meeting.

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

No person(s) came forward to speak at this time.

Consent Agenda

Item 38 was deleted from consideration.

Regulation Committee -- Environmental Resource Permits

9. ERP No. 43033567.000 - Essex Development – Charlotte County
10. ERP No. 49008387.043 - Tampa International Airport - Modify Airport-Wide Stormwater Master Plan and Wetland Impacts – Hillsborough County
11. ERP No. 44033654.000 - Walden Point Subdivision (***DENIAL***) – Hillsborough County
12. ERP No. 44030053.002 - The Preserve at Bishop Harbor - Richards Creek Crossing (***DENIAL***) – Manatee County
13. ERP No. 43023534.022 - Connerton Commerce Park – Pasco County
14. ERP No. 44022809.001 - Clearwater Village Phase One, One A, and Freedom Drive Extension (***DENIAL***) – Pinellas County
15. ERP No. 44033412.000 - Feather Sound Townhomes (***DENIAL***) – Pinellas County
16. ERP No. 43031130.002 - Monterey Trace North – Polk County
17. ERP No. 43031900.001 - City of Winter Haven - Pollard Road Extension – Polk County
18. ERP No. 43033629.000 - State Road 33 Business Park – Polk County
19. ERP No. 43028659.001 - Goodrich Parcel – Sarasota County
20. ERP No. 43032357.001 - Sarasota County - Honore Avenue/Pinebrook Road Extension, From Laurel Road to SR 681 – Sarasota County
21. ERP No. 43032131.001 - Hidden River Ranches – Sumter County

Regulation Committee -- Water Use Permits

22. WUP No. 20008442.005 - Lettuce Creek Cattle Company – Highlands County
23. WUP No. 20004559.008 - Ben Hill Griffin, Inc./Ben Hill Griffin, Inc. - Section 33-35 – Polk County
24. WUP No. 20012232.002 - Citrusuco North America, Inc. – Polk County

Regulation Committee -- Other

25. **Governing Board Concurrence with Executive Director's Issuance of Fourth Modification to Executive Director Order No. SWF 07-045, Regarding Use of Peace River Diversions**
Staff recommended concurrence with issuance of Fourth Modification to Executive Director Order SWF 07-045, for ongoing diversion from the Peace River to augment the Peace River/Manasota Regional Water Supply Authority's reservoir, two ASR wellfields, and regional water transmission system.
26. **Governing Board Concurrence with Executive Director's Issuance of First Modification to Executive Director Order No. SWF 08-003, Regarding Use of the Peace River/Manasota Regional Water Supply Authority's Aquifer Storage and Recovery (ASR) Wellfields**
Staff recommended concurrence with the issuance of the First Modification to Executive Director Order No. 08-003, for temporary groundwater production from existing ASR wells.
27. **Approve Amendments to 40D-1.659 and 40D-2.091, Florida Administrative Code (F.A.C.), to Incorporate Changes to Chapters 5 and 6 of the Basis of Review and to Adopt Flow Meter Accuracy Verification Reporting and Form Requirements**

Staff recommended approval of Amendments to 40D-1.659, F.A.C., and 40D-2.091, F.A.C. (to Incorporate Changes to Chapters 5 and 6 of the Basis of Review), to Adopt Flow Meter Accuracy Verification Reporting and Form Requirements.

Resource Management Committee

28. **Appraisals and Purchase/Sale Agreement – Lake Hancock Project, SWF Parcel No. 20-503-140**

Staff recommended to accept the appraisals, and approve the Purchase/Sale Agreement.

29. **Appraisals and Purchase/Sale Agreement – Lake Hancock Project, SWF Parcel No. 20-503-161**

Staff recommended to accept the appraisals, and approve the Purchase/Sale Agreement.

30. **Appraisals and Purchase/Sale Agreement – Lake Hancock Project, SWF Parcel No. 20-503-187**

Staff recommended to accept the appraisals, and approve the Purchase/Sale Agreement.

31. **Approve Amendment to the Construction Agreement with Subaqueous Services, LLC, for the Lake Panasoffkee Restoration Project**

Staff recommended to (1) approve amending the agreement with Subaqueous Services, LLC by an amount not to exceed \$115,385 for the dredging of a second channel at Coleman Landing, contingent upon the contractor executing the third amendment to the agreement, and the approval of the Withlacoochee River Basin Board at its August meeting; (2) approve adding 15 calendar days to the contract time; and (3) authorize the Executive Director to execute the amendment on behalf of the Governing Board.

Finance & Administration Committee

32. **Board Travel**

No action required at this time.

33. **Budget Transfer Report**

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

34. **Information Resources Department Fiscal Year 2008 Encumbrances**

- a. **Multi-Year Funded Projects**

Staff recommended encumbering funds in an amount not to exceed \$734,000 in FY2008 for the planned purchase of systems to be implemented in FY2009 and FY2010.

- b. **Residual FY2008 Computer Sinking Fund**

Staff recommended encumbering FY2008 funds in an amount not to exceed \$176,300 remaining in the Computer Renewal and Replacement Sinking Fund reserve account for use in FY2009. When added to the FY2009 annual budgeted investment of \$755,000 and previously encumbered \$225,682, the modified FY2009 budget balance for the Sinking Fund will be \$1,156,982, consistent with the IRD Five-Year Technology Plan.

- c. **Enterprise Asset Management**

Staff recommended encumbering funds in an amount not to exceed \$250,000 in FY2008 for the purchase of Enterprise Asset Management hardware, software and professional services in FY2009.

35. **Information Resources Department Fiscal Year 2009 Sinking Fund Transfers**

- a. **Planned Replacement of Personal Computers**

Staff recommended transferring FY2009 funds from the Computer Renewal and Replacement Sinking Fund account to the IRD operational accounts for execution of the planned supplemental purchase of replacement personal computers, software and peripherals contingent on final Governing Board approval of the FY2009 Annual Service Budget.

- b. **Planned Upgrade and Expansion of Communications Network and Servers**

Transfer FY2009 funds from the Computer Renewal and Replacement Sinking Fund account to the IRD operational accounts for execution of the planned purchase of network upgrades and expansion equipment for FY2009 from the State of Florida Contract at a cost not to exceed \$260,000 contingent on final Governing Board approval of the FY2009 Annual Service Budget.

General Counsel's Report

36. **Consent Order – ERP No. 44031109.000 – Stars and Stripes Investments II, LLC (U.S. 301 Office) – Hillsborough County**
Staff recommended approval of the proposed Consent Order and authorize the initiation of litigation against Stars and Stripes Investments II, LLC to obtain compliance with the Consent Order.
37. **Consent Order – Surface Water Activity – Larry McCarty General Contractor, LLC – Polk County**
Staff recommended approval of the proposed Consent Order and authorize the initiation of litigation against Larry McCarty General Contractor, LLC, if necessary to obtain compliance with the Consent Order.
38. **Settlement Agreement – Lance H. Ham et al. v. City of Plant City, Hillsborough County and SWFWMD 13th Judicial Circuit Case No. 05-CA-9419 – Hillsborough County** – This item was deleted from consideration.

Executive Director's Report

39. **Approve June 24, 2008 Governing Board Meeting Minutes**
Staff recommended approval of the minutes as presented.

Chair's Report

40. **Approve Board Policy 110-7, Election of Governing Board Officers**
Staff recommended approval of the policy as revised.

Following consideration, **Ms. Parks moved, seconded by Mr. Senft, to approve the Consent Agenda as amended. Motion carried unanimously.** (Track 2 – 04:00/04:31)

Chair Combee relinquished the gavel to Resource Management Committee Chair Gramling.

Resource Management Committee

Discussion Items

41. **Consent Item(s) Moved for Discussion** - None
42. **Cooperative Funding Initiative Project Status Report – Regional Reclaimed Water Partnership Project**
Mr. Moore said the purpose of this presentation was to provide the Governing Board with an update on activities associated with the Regional Reclaimed Water Partnership Project that have occurred since the Governing Board's June 24, 2008 meeting.

This project investigation began one year ago. Mr. Moore said after careful consideration he believes a clear project pathway has been developed. There are three main components to this project. The first is a traditional reclaimed water supply project consisting of transmission pipelines and storage to provide reclaimed water to industrial users from one or more domestic wastewater treatment facilities. The second element of the project is more innovative in concept and seeks to create opportunities for additional potable groundwater withdrawals in the project area through recharge of the Upper Floridan aquifer with reclaimed water in southern Hillsborough County and/or western Polk County. The third component is a commitment by all parties to continue to explore opportunities to maximize the beneficial use of reclaimed water in the region.

The benefits of the project include: maximum beneficial use of reclaimed water, furthers the District's legislative mandate to endeavor to ensure that there is available water supply to all reasonable and beneficial users, consistent with the SWUCA Recovery Strategy, and eliminates nitrogen loading to Tampa Bay.

The project team now consists of representatives from the District, Hillsborough County, the City of Tampa, Tampa Electric Company (TECO), Mosaic, Lakeland, Plant City, Polk County, Tampa Bay Water, and the Florida Department of Environmental Protection. Other parties considering joining in are Mulberry and Temple Terrace. Mr. Moore said he

was very pleased that this project was bringing together all of the regional parties for discussions. He said he believes a representative from each of these groups is in the audience today. Chair Combee thanked Senators Paula Dockery and J. D. Alexander, and several Polk County Commissioners for attending today's meeting.

The primary customer is TECO, and two options have been identified as the potential reclaimed water supply routes. The first option is to use reclaimed water from the City of Tampa's Howard F. Curren Advanced Wastewater Treatment Plant, and the second option is to use a combination of reclaimed water from Hillsborough County's Valrico Wastewater Treatment Plant and the City of Lakeland, Polk County and possibly Plant City. These options require further cost analyses, which staff recommends the District cooperatively fund with TECO by contributing up to \$50,000. Upon completion, within an estimated timeframe of 90 days, the project team will have a clear path to move forward with the design and engineering for the identified route(s). The second element of the project is more innovative in concept and seeks to create opportunities for additional potable groundwater withdrawals in the project area through recharge of the Upper Floridan aquifer with reclaimed water in southern Hillsborough County and/or western Polk County. The first step in this element is to conduct a feasibility study to assess the potential to use reclaimed water for aquifer recharge in the project area. Staff recommended that the District take a leadership role and wholly fund the feasibility study, which is estimated to cost approximately \$500,000 and could be completed by March 31, 2009. A steering committee made up of local government utilities and other stakeholders will be utilized to provide input on the feasibility study.

District staff continues to facilitate project team meetings including the most recent one held on July 15, with attendees representing Hillsborough County, Tampa Electric Company, Mosaic, City of Tampa, City of Lakeland, Polk County, the Florida Department of Environmental Protection, Tampa Bay Water, Plant City, and the District. The Governance and Regulation/Recharge subcommittees also met regularly.

Staff recommended approval of the transfer of \$550,000 from the Governing Board's Water Supply and Resource Development Reserves (H100) to Regional Reclaimed Water Partnership Project (H076) of which \$500,000 will be allocated to the reclaimed water aquifer recharge feasibility study and \$50,000 will be allocated to the cost analyses of the potential supply routes to TECO.

Following a lengthy question and answer session between Board members and Mr. Moore, Resource Management Committee Chair Gramling heard public comment.

Ms. Jan McLean, representing the City of Tampa, addressed the Governing Board and said that the City has been involved with numerous projects over the past years trying to make use of reclaimed water. These previous projects have not been utilized; she stated that the City of Tampa remains open to participate in projects that will make use of reclaimed water.

Mr. Jerry Seeber, General Manager of Tampa Bay Water, said they are glad to be participating in these discussions. He said TBW is looking beyond the year 2017 for its future water supplies and how reclaimed water can be utilized.

Mr. Doug Thomas, City of Lakeland, said he wanted to thank the Governing Board, Mr. Moore and District staff for working on this complex project and helping the City of Lakeland. He said years ago the City implemented a reuse system for the process of power generation; he feels this is a good community example of a beneficial use.

Following consideration, **Mr. Oakley moved, seconded by Mr. Pressman, to approve the aforementioned staff recommendation. Motion carried unanimously.**

Committee Chair Gramling suggested that, during the development of the budget for FY2010, staff could look for opportunities for Basins to help fund this project.

Senator Paula Dockery welcomed Board members and the other attendees of today's meeting to Polk County. She congratulated Mr. Combee for being elected Board Chair and also commended Mr. Senft for being appointed to the Governing Board. She thanked all Board members for volunteering and serving the citizens of the State of Florida. Senator Dockery said the legislative delegation has been involved in this important project for well over a year. She congratulated the Governing Board and District staff in moving this project along to this point. Senator Dockery said will continue to support this project as it progresses. (Track 2 – 04:31/10:00, Tracks 3 – 9, Track 10 – 00:00/03:08)

43. Tampa Bay Water's Desalination and Reservoir Projects Status Report

Mr. Jerry Seeber, General Manager, Tampa Bay Water, provided an update on the Tampa Bay Seawater Desalination Plant operations and the agency's progress towards meeting the funding milestones. Mr. Seeber also reported on the status of the repair and maintenance activities for the C.W. Bill Young Regional Reservoir. He said TBW should be able to hold its pumping to the 90 mgd target during the wet weather season and complete repairs by next spring to the reservoir. The cutbacks are continually met even though TBW has had some setbacks, and he believes this is an important point to remember.

Mr. Pressman sought reassurance that the reservoir was structurally secure. Mr. Moore said it was his understanding that the issue was cracking in the soil/cement coating that lines the reservoir and did not affect the pool structurally. Mr. Pressman also inquired whether or not the structure was still covered by a warranty. Mr. Seeber responded by saying that warranties had not expired as was reported by some newspapers.

This item was presented for the Committee's information, and no action was required. (Track 10 – 03:08/10:00, Track 11 – 00:00/07:49)

Submit & File Reports

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

- 44. **Three Sisters Springs Partnership Concept and Status**
- 45. **Proposed Minimum Flow Updates Prior to Submission for Scientific Peer Review for Dona Bay/Shakett Creek below Cow Pen Slough System**

Routine Reports

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

- 46. **Florida Forever Funding Status Report**
- 47. **Minimum Flows and Levels Status Report**
- 48. **Structure Operations Status Report**
- 49. **Watershed Management Program and FEMA Map Modernization Status Report**
- 50. **Significant Water Supply and Resource Development Projects**

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

Regulation Committee

Discussion Items

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

- 52. **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.

In summary, Mr. Kinsman said that overall rainfall is abundant, but scattered throughout the region. The hydrologic indicators are responding positively. Impacts from the two-year drought are persistent. The end of July marks the half-way point of the wet weather season. Staff will continue to closely monitor conditions throughout the District.

This item was presented for the Committee's information, and no action was required. (Track 11 – 07:49/10:00, Track 12 – 00:00/06:40)

At this time, an item not appearing on the published agenda was considered.

Governing Board Concurrence with Executive Director's Issuance of Executive Director Order No. SWF 08-024, Regarding Use of the Alafia River Project

Ms. Alba Más, Director, Tampa Regulation Department, said the District has previously provided drought assistance to Tampa Bay Water in the form of emergency authorizations to augment its regional supplies. Past actions include Executive Director Order No. SWF 07-043, that temporarily changed the diversion schedule for withdrawals from the Alafia River to augment storage in the C.W. Bill Young Regional Reservoir prior to the beginning of the annual dry season. This emergency authorization was issued on August 3, 2007, was modified on August 23, 2007 and expired on September 26, 2007. The new emergency authorization is very similar to this past action.

Tampa Bay Water typically stores water from its surface water sources in the reservoir during the annual summer rainy season and other periods of high flow for later use during the annual dry season to meet potable water demand. Although the summer rainy season is underway, Tampa Bay Water's surface water sources remain below normal, resulting in extremely low storage in its reservoir. As of July 22, 2008, only 4.24 billion gallons were in storage, well below the reservoir's capacity of 15 billion gallons. As a result of these storage concerns, Tampa Bay Water requested emergency District action which would allow it to increase withdrawals from the Alafia River to expedite storage in the reservoir in anticipation of the upcoming dry season. This additional storage is needed to help Tampa Bay Water and its member governments protect the public health, welfare and safety of over 2.4 million residents in its tri-county service area in a manner that will minimize the need for withdrawals from its Consolidated Permit wellfields.

Ms. Más reviewed Tampa Bay Water's request and drafted the applicable emergency authorization. Executive Director Order No. SWF 08-024 was signed by Mr. David L. Moore on July 22, 2008. This emergency authorization allows a temporary increase in the percentage of withdrawal under Tampa Bay Water's Water Use Permit No. 20011794.001, increasing the diversion of water from the current permitted 10 percent up to 19 percent of the total flow of the Alafia River as measured at Bell Shoals. This diversion, which is only allowed when the flow rate exceeds 124 cubic feet per second, may not exceed 60 million gallons per day and is consistent with recent Minimum Flows and Levels studies.

Staff recommended concurrence with issuance of Executive Director Order SWF 08-024 for diversion from the Alafia River to augment Tampa Bay Water's reservoir. Following consideration, **Mr. Senft moved, seconded by Mr. Oakley, to approve the aforementioned staff recommendation. Motion carried unanimously.** (Track 12 – 06:40/10:00, Track 13 – 00:00/00:53)

53. **Approve Initiation of Rulemaking to Amend Rule 40D-1.607, F.A.C., Regarding Permit Fees**

Mr. Clark Hull, Environmental Resource Permitting Program Director, said legislation recently signed by the Governor requires the Department of Environmental Protection to initiate rulemaking to adjust fees related to environmental resource permitting and for

periodically adjusting application fees. It has been determined that this legislation applies not only to the Department, but also to the water management districts. The legislation also established new fees to be collected on activities the staff performed previously at no cost. The legislation specifically requires the Department to increase each application fee authorized under Part IV and to ensure that such fees reflect any upward adjustment in the Consumer Price Index. Additionally, the legislation requires a fee of at least \$250 for a noticed general permit or individual permit, a fee of at least \$100, but not to exceed \$500, for conducting informal wetland determinations.

Staff recommended approval of the initiation of rulemaking to amend Rule 40D-1.607, F.A.C., regarding permit fees. Following consideration, **Ms. Closshey moved, seconded by Mr. Gramling, to approve the aforementioned staff recommendation. Motion carried unanimously.** (Track 13 – 00:53/10:00, Track 14 – 00:00/10:00, Track 15 – 00:00/02:49)

Submit & File Report

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

54. **District Review of Progress Energy's Levy County Nuclear Power Plant Site Certification Application**

Routine Reports

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

55. **Southern Water Use Caution Area Quantities**
56. **Water Production Summary**
57. **Public Supply Benchmarks**
58. **Overpumpage Report**
59. **Resource Regulation Significant Initiatives Report**

Committee Chair Parks relinquished the gavel to Chair Combee. Chair Combee said the Finance and Administration Committee would be taken up next and he relinquished the gavel to Finance and Administrative Committee Chair Oakley.

Finance and Administration Committee

Discussion Items

67. **Consent Item(s) Moved for Discussion** - None
68. **Fiscal Year 2009 Budget Update and Adoption of Proposed District and Basin Millages**

Mr. Schiller introduced Ms. Linda R. Pilcher, Assistant Director, Finance Department, who provided the Governing Board with an update on the fiscal year (FY) 2009 budget development process, and recommended approval of the required resolution for the adoption of proposed millage rates for FY2009.

On June 24, the FY2009 Recommended Annual Service Budget was presented to the Governing Board. The budget was based on the Governing Board approved assumption that millage rates would be maintained at the FY2008 levels, and the actions taken by the eight Basin Boards in June adopting FY2009 millage rates at the FY2008 levels, and utilizing the June 1, 2008 estimates of taxable property values from the 16-county Property Appraisers. Monthly updates will be provided to the Governing Board through September.

Staff recommended the Governing Board adopt proposed FY2009 millage rates for the Districtwide General Fund and the eight Watershed Basins equal to the rates adopted for FY2008. Staff reviewed the 2008 Certifications of Taxable Value (FY2009 levy) and the proposed FY2009 Districtwide General Fund and Watershed Basin millage rates, in compliance with Sections 200.065 and 200.185, Florida Statutes, as amended, and any proposed changes that have been made to the budget since it was presented on June 24.

The Standard Format Tentative Budget Submission to the Executive Office of the Governor (due August 1, 2008) will reflect the budget as of July 15, 2008, the date of this budget update. The budget submission will reflect ad valorem revenue computed based on FY2009 millage rates maintained at the FY2008 levels, and utilizing the 2008 Certifications of Taxable Value.

The District's FY2009 budget will be adopted in September following two public Truth in Millage budget hearings. The first hearing is scheduled for 5:01 p.m. at the Tampa Service Office on September 16, 2008. The Governor's office will review and approve the budgets of all five water management districts before the second and final public hearing. The second and final hearing is scheduled for 5:01 p.m. at Brooksville Headquarters on September 30, 2008.

Ms. Pilcher presented the following topics: FY2009 Budget Calendar Critical Dates, 2008 Certifications of Taxable Value, FY2009 Ad Valorem Revenue, 2008 Analysis of Change in Taxable Values levied for FY2009. General Fund Millage Rate Options, FY2009 Budget Summary Comparison identifying proposed budget changes since the last budget update, June 24, 2008, General Fund Summary of Proposed Changes since June 24, 2008 (additional information), and the revised FY2009 Budget Summary Comparison as of July 29, 2008.

Staff recommended approval of Resolution No. 08-09, Adoption of Proposed District and Watershed Basin Millage Rates for Fiscal Year 2009. Following consideration, **Ms. Closshey moved, seconded by Mr. Gramling, to approve the aforementioned staff recommendation. Motion carried unanimously.** (Track 15 – 002:49/10:00, Track 16 – 00:00/10:00)

Governing Board members thanked Mr. Schiller for his leadership role in leading staff through another budget season. Mr. Schiller said it was truly a collaborative effort. Ms. Closshey specifically commended staff's efforts associated with the State Board and Administration's Local Government Surplus Trust Fund Investment Pool.

Submit & File Report

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

69. **Treasurer's Report, Payment Register, and Contingency Reserves Report**
70. **Fiscal Year 2008 Third Quarter Financial Report**

Routine Reports

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

71. **District Environmental Stewardship Initiative Status Report**
72. **Management Services Significant Initiatives Report**

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

Chair Combee recessed the public hearing for a lunch break. He said the public hearing would resume with the Outreach and Planning Committee.

Following the lunch break, Chair Combee relinquished the gavel to Ms. Whitehead who chaired the Outreach and Planning Committee in the absence of Ms. Rovira-Forino. (Track 17 – 00:00/04:37)

Outreach and Planning Committee

Discussion Item

60. **University of Florida Turfgrass Irrigation Research**

Ms. Kavouras said in response to a discussion at the June 2008 Governing Board meeting concerning recent local governments exploring a ban on St. Augustine turf, the Board requested information about the irrigation requirements of St. Augustine and other turfgrasses. The District routinely enlists the University of Florida's Institute of Foods and Agricultural Sciences (UF/IFAS) in landscape and irrigation research to evaluate emerging technology and practices and to continually update the science on which District rules and recommendations are based. It is the research conducted by the UF that supports the principles of Florida-friendly landscaping.

Ms. Kavouras introduced Dr. Terril Nell and Dr. Michael Dukes, Center for Landscape Conservation and Ecology at the University of Florida, who presented information regarding the scientific data available on landscape plant and turfgrass water use. Their presentation included research on technology affecting irrigation efficiency as well.

Dr. Dukes explained the concepts of plant versus irrigation water requirements. Where plant water requirement is the total water required by the plants, irrigation water requirement includes some estimate of rainfall for plant water needs. Scientific studies of turfgrass have determined that St. Augustine and other bermudagrasses require 43 inches per year in South Florida. Bahiagrass requires 33 inches per year in North Florida. Dr. Dukes said future opportunities exist with smart irrigation controller technologies that would automate irrigation decisions based on feedback received from the irrigation system.

Dr. Nell presented the water requirements of a scientific study for shrubs. He said that plants and trees retain the same water requirements once they are planted and established. Irrigation needs during establishment were every two to four days. Shrubs need about 20 weeks to become established; then once per week irrigation is adequate except in severe drought. The study included a native versus non-native comparison of shrub irrigation. Just comparing six native and seven non-native plants; irrigation had no impact on growth. The conclusion of this study found that planting natives may not result in reduced water use. It was also concluded that you cannot make up for a lack of frequency by adding larger volumes of water at each irrigation period.

A lengthy question and answer session ensued with Dr. Nell and Dr. Dukes. Mr. Gramling suggested that District staff determine the parameters of future studies we cooperatively fund so that the information is the most useful. Mr. Moore asked Dr. Nell what he thought about the current water restriction practices that the District has had in place since January 2007, which has been one day per week irrigation. Dr. Nell said first it is important to recognize that turfgrasses need a period of establishment. Beyond the establishment time period, he believes the District's irrigation restrictions were reasonable, with the exception of during extreme drought conditions. Dr. Nell did not think this would apply to areas in South Florida.

This item was presented for the Committee's information, and no action was required. (Tracks 18 through 22, Track 23 – 00:00/08:09)

Submit & File Reports

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

61. **Florida Water Starsm – Gold Certification**
62. **Strategic Plan 2009-2013 – Natural Systems, Water Supply and Flood Protection Draft Initiative**

Routine Reports

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

63. **Comprehensive Plan Amendment and Related Reviews Report**
64. **Development of Regional Impact Activity Report**

- 65. **Speakers Bureau**
- 66. **Significant Activities Report**

Outreach and Planning Chair Whitehead 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**
- 75. **Rulemaking Update**

Reports

- 76. **Industrial Industry Advisory Committee Liaison Report**
Ms. Kavouras said written Committee reports were provided at each Board member's seat.
- 77. **Public Supply Advisory Committee Liaison Report**
Mr. Owen noted that the Committee voted on rulemaking regarding year-round conservation measures. Staff will be back to report on these items at an upcoming meeting. (Track 23 – 08:09/10:00)
- 78. **Basin Board Education Committee Meeting Report**
A written report of the Basin Board Education Committee was included in the Governing Board information notebook. (CD 1/Track 24 - 00:00/00:13)

Basin Board Land Resources Committee Meeting Report

Mr. Joerger said the Committee met on July 10, 2008, at Nature's Classroom. Mr. Bo Rooks, who serves as a member on the Withlacoochee River Basin Board, was elected as Vice Chair of the Committee. The Committee heard a variety of presentations, some of the topics included: updates on land acquisitions, progress on the Lake Hancock project, the continuation of the Florida Forever Program, and a master recreation strategy plan.

- 79. **Executive Director's Report**
Mr. Moore said he had two upcoming events to note. The Water Congress is to be held September 25–26 in Orlando at the World Marriott. The second event is the State of the Water Resources in West Central Florida to be held Friday, November 21, 2008, in Tampa.
- 80. **Chair's Report**
Mr. Oakley said he met with the East Pasco County Water Supply Workshop group last Friday. He said the group has an optimistic future and they will be forming an educational subcommittee.

Mr. Senft said the Summer School was an excellent program and staff was outstanding.

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 2:40 p.m. (CD 1/Track 24 - 00:13/10:00, Track 25 – 00:00/00:01)

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.