

Meeting Minutes
Governmental Services Committee
Taxation and Budget Reform Commission
Jacksonville City Hall – St. James Building
Committee Room A, First Floor
117 West Duval Street
Jacksonville, Florida
Thursday, September 20, 2007
10:30 a.m. – 1:00 p.m.

Committee Members: *Roberto “Bobby” Martinez, Chair, Barney Barnett, Martha Barnett, Mark Bostick, Talbot “Sandy” D’Alemberte, Bruce Kyle, Robert “Bob” McKee, Les Miller, Jr., Randy Miller, Jade Moore, James Scott*

Members Present:

Barney Barnett
Robert “Bob” McKee
Jade Moore
James Scott
Randy Miller

Members Present by Phone:

Bruce Kyle

Acting Chairman Jim Scott called the meeting to order at 10:30 a.m.

Staff called roll and announced the presence of a quorum.

Chair Scott asked for a motion to approve the minutes from the September 10 meeting, as posted on the website. Several members so moved, and seconded. Minutes were approved.

Chair Scott welcomed the first presenter, South Florida Water Management District Director of Policy and Legislation, Ernie Barnett.

Mr. Barnett began by stating that the district that he represents, the South Florida Water Management District (SFWMD) contains over 1000 miles of canals and 800 miles of levies. These canals are the product of older policies which mandated the draining and ditching of over half of the Everglades in the name of flood control.

The State of Florida’s water policies have changed drastically over the years, and in 1972 the Legislature passed what would become Chapter 373 of the Florida Statutes. Ch. 373 created the regional model for Water Management in Florida. These statutes generated a

mandate to oversee water and land-related resources by providing for: water quality, flood protection and floodplain management, natural systems, and water supply. These responsibilities were divided into five regional districts with their own governing boards. The five water management districts of Florida are: Northwest Florida Water Management District, Suwannee River Management District, St. Johns River Water Management District, Southwest Florida Water Management District, and South Florida Water Management District. Each district has its own unique landscape, environment, ecology, and history. Despite their differences, each district has common goals and activities. Some examples of these activities are: planning, regulation, research, data collection, technical & planning assistance, education, restoration, land acquisition, and land management.

Mr. Barnett indicated that stormwater management is a very important component of water management. Stormwater management systems create and provide updated Digital Flood Insurance Maps (DFIRMs). Cost-share assistance may be available for stormwater management facilities and utilities. The State of Florida has made recent land acquisitions to support stormwater management systems.

Another example of good management practices, according to Ernie Barnett, is the Florida Ranchland Environmental Services Project. This project combines USDA, DACS, SFWMD, and WWF to partner with landowners for storage and treatment of water on private lands. There are currently 4 projects successfully implemented and 4 more projects planned. The agricultural area located between Lake Okeechobee and the Everglades is an area of critical concern. Florida farmers in that area have shown great responsibility and cooperation in the Florida Ranchland Environmental Services Project and others like it.

Good Water Quality is indispensable, of course, for the water we drink, but it is also essential for many other uses. We can't safely swim or fish in polluted waters, nor can Florida's many ecosystems long prosper without good water quality. The definition of water quality may vary from one body of water to another. For instance, in the Everglades, water quality is often determined by the amount of phosphorus found in water. Ten parts per billion of phosphate is generally considered the limit for good water quality in the Everglades.

Ernie Barnett indicated that agricultural source controls or BMP's (Best Management Practices) and regional wetland STA's (Stormwater Treatment Areas) are key factors in achieving the compliance of 10 parts per billion of phosphorus in the Florida Everglades. BMP's and STA's often plant nutrient-absorbing plants like cattails in order to infuse phosphates and nitrates out of the water and into the plant.

Mr. Barnett pointed out that the main function of the Water Resources Act of 1972 was to ensure that Florida would have an adequate water supply. Chapter 373 of Florida Statutes governs the consumptive uses of water. WMD's have exclusive authority for the regulation of the consumptive use of water in Florida. Another unique feature of the Water Resource Act of 1972 is the blending of "eastern" and "western" water law; the act

holds that ownership of land does not mean ownership of water, and that water is held in trust for the people of Florida.

Mr. Barnett affirmed that the Suwannee River Partnership (watershed projects) were formed in 1999 as a coalition of state, federal, and regional agencies, local governments, and private industry representatives to reduce nitrate levels in the surfacewaters and groundwater within the basins or watersheds. Projects like these have been successful at reducing the Total Daily Maximum Loads (TMDL's).

Commissioner Bob McKee asked Mr. Barnett How a WMD would determine a base amount for water per person consumption. Mr. Barnett replied that not all water can be used for human consumption, and allocation of water above "significant harm level" for environmental conditions is a major factor when issuing consumptive use permits.

Commissioner McKee asked if the water is first come first serve. No, responded Ernie Barnett, permits are time limited and are reevaluated as they expire. There are two sources of water; the current natural system and the development of alternative water supplies as determined against environmental concerns.

Mr. Barnett signified that, as of the year 2000, agriculture used roughly half of Florida's water supply. Demographics and population trends indicate that growth in the State of Florida will cause public water supply needs to increase and will surpass agriculture by the year 2025. Irrigation needs may be met through re-use programs. Lee and Collier Counties operate at 80% to 90% reuse for irrigation. However, Dade County, the greatest consumer of water only reuses 5%; with Palm Beach County up to 30% reuse.

Commissioner Randy Miller asked who pays for the Kissimmee River Restoration. Mr. Barnett answered that there is a 50/50 split with the State of Florida and Federal Governments; with the Feds paying for most of the labor costs.

Commissioner Miller then asked who paid for the original ditch. Mr. Barnett replied that the Federal government paid 65% and the State of Florida paid 35%.

Commissioner Miller asked what the original reason was for dredging, ditching, and dyking. Legislation passed in 1949 for flood control mandated construction projects. What was considered good policy then, is not good policy now. Water is a public resource owned by all citizens of the state. To protect water resources, Florida must protect the environment and the natural systems of the state. The State of Florida needs statewide standards for water resource policies with governance "close to the people" through water management systems.

Chairman Scott directed staff to provide a brief overview of how WMD's work (funding, revenues, etc.)

Commissioner Barney Barnett asked who owns the Everglades. Mr. Barnett replied that the State of Florida owns 2.4 million acres, some by WMD's, some in-holdings (ex: hole-in-the-doughnut), remaining land in National Park owned by the Federal Government.

Chairman Jim Scott thanked Ernie Barnett for his presentation and introduced former State Representative and spokesperson for the Tampa Bay Water Board, Peter Dunbar.

Mr. Dunbar began by indicating that the State of Florida is entering a new era in water policy; particularly in water supply, regardless of public or private source delivery. This issue has been over three decades in the making in the Tampa area alone, and there are other regions in the state that have also faced water supply shortages.

Dunbar went on that the main issue for the Tampa Bay area is about the transport and withdrawal of water. There were massive expense and permitting problems which caused a stalemate in the 1990's, often referred to as the Tampa Water Wars, that impeded local economic growth. In 1998, the Tampa Bay Water Board was created to supply the needs of the region at a unitary rate. This board created a local water supply master plan in which all costs are paid by rate payers.

One of the groundbreaking features of the Tampa Bay Water Board is its Desalinization Plant. The TBWB uses Diametrisis Earth (DE) Filters which removes salt and other water particles before osmosis. Desalinization is a cutting edge alternative water supply which has experienced some difficulties in its early stages of implementation.

Mr. Dunbar asserted that the Tampa Bay Water Board is an innovative regional government service which transcends political boundaries. Such goals would be difficult to accomplish without the "carrots and sticks" of a proactive solution. Other areas have tried, but Tampa Bay is unique due to incentives that made success possible.

Chair Scott asked how much it all costs. Dunbar answered about \$1.1 billion dollars, an additional \$250,000,000 still pending, and \$183,000,000 from Water Management Districts.

The Executive Director of Southwest Florida Water Management District, Dave Moore joined the podium with Peter Dunbar and was recognized by the chair. SWFWMD views the Tampa Bay model as Florida's future.

Commissioner Randy Miller asked how the Tampa Bay Water Board was funded. Mr. Dunbar replied that TBWB operates like other utilities, rate changes help fill the funding gaps.

Commissioner Miller asked if the TBWB is considered a Government agency. Dunbar responded that the courts have held that they are, but case is currently under appeal.

Commissioner Randy Miller allowed that he believes that desalinization is part of the future, but what caused the initial failures? Mr. Dunbar replied, "Murphy's Law". The

Tampa Bay Water Board owns the largest desalinization plant in the Western Hemisphere, but the tropical environment adds levels of complexities not experienced in other climates. Particles and sediment brought in from ships contributed to the filters increased workload.

Commissioner Barney Barnett asked where the desalinization is located. Peter Dunbar answered that it is co-located next to the TECO Big Bend Plant. The co-location helps because of normal daily intakes at the TECO Plant.

Commissioner Jade Moore asked why the WMD's can't do what the Tampa Bay Water Board is doing. "Great Question!", replied Mr. Dunbar. This was a policy issue because WMD would be supply and control agency. The Legislature probably never considered giving control to the Water Management Districts.

Commissioner Moore asked if TBWB bonds to pay for their facilities. "Yes", said Mr. Dunbar.

Commissioner Bob McKee asked if the Legislature established the geographic boundaries. No, there are several around, but none are functioning boundaries.

Dave Moore rejoined Mr. Dunbar at the podium to offer that the models are great but need to be at the point of necessity to get them to work. They must be on a manageable scale.

Peter Dunbar offered in closing that of all the water agencies in the State of Florida, the Tampa Bay Water Board is one of the most-accountable to the citizens because their board members are elected officials and must answer for performance during re-election. Chairman Scott thanked Mr. Dunbar for his presentation, and asked if he would be available for further questions. Mr. Dunbar answered that he would be happy to help any way he could, and to have staff contact him if he is needed.

Chair Scott welcomed the Department of Environmental Protection's Director of the Division of Water Resource Management, Janet Llewellyn.

Ms. Llewellyn began her presentation by outlining the demographic information relating to water policy. As we have seen in prior meetings, the population trends for the State of Florida show a steady increase of people moving into the state creating a large upturn in demand for services. Among these highly demanded services is water, the staple of life. Floridians can live without the public service of electricity or propane with nothing but an inconvenience, but without water life would cease to exist.

Florida's Ocean Outfalls are spillways where 300 million gallons of minimally treated wastewater is discharged via ocean outfalls every day – day after day. Ms. Llewellyn suggested that the State of Florida should look into ways to recapture outfall.

Commissioner Randy Miller asked why Dade County was at 5% reuse. Outfall? Dade County has infrastructure and funding issues with reuse; DEP and SFWMD are applying pressure for improvement.

Commissioner Jade Moore noted that Pinellas County has low-flow toilet rebates. The program seems to have saved a lot of gallons of water. How does that impact other areas of the state? Is water too cheap? Ms. Llewellyn indicated that price signal is very important, and conservation should be paramount.

Chair Jim Scott noted that there were other speakers from Florida Wildlife Forever in attendance to address the committee.

Chairman Scott welcomed the General Council and Vice President of the Florida Wildlife Federation, Preston Robertson.

Mr. Robertson stated that he was appearing in order to support the Florida Forever Act, a voluntary land conservation effort which is bonded and paid for by documentary stamps to purchase conservation lands. Today, only 6% of remaining doc stamp revenue is going to the Florida Forever Act bond program.

Please protect the water chain by protecting the Florida Forever Program.

Preston Robertson asked staff to pass out a proposal for tax relief for property owners of conservation easements.

Mr. Robertson explained that in Georgia, when conservation easements are put into place, ad valorem taxes are lowered by 2/3. In Florida, there is no such tax incentive for placing property in a conservation easement.

Chair Scott introduced the final speaker, the Trust for Public Land representative, Andy McLeod. Mr. McLeod began by supporting the proposal that Preston Robertson had just made. The Trust for Public Land is one of seven members of the Florida Forever Coalition Steering Committee. The remaining members are: Audubon, 1000 Friends of Florida, Florida Wildlife Federation, Defenders of Wildlife, and the Nature Conservancy.

All Floridians should be proud of Preservation 2000 and Florida Forever. They are great programs that do not go far enough. Florida Forever has been funded at the same rate, \$300 million dollars per year, since 1990. Florida land conservation should benefit in this market.

Commissioner McKee asked if all 7 organizations rely on the same funding sources. Andy McLeod answered that all are private non-profits; a couple are transactional in nature, but most are not. None directly benefit from funding.

Commissioner McKee commented that with tax dollars going to non-profits, then expending on behalf of the taxpayer to buy lands. Have enjoyed a high level of

involvement for almost 30 years and still don't fully understand it all. You will need a much higher level of public understanding to get the public's support. Mr. McLeod replied that the public understands the need for water.

Commissioner Randy Miller asked if there was any private funding. Andy McLeod responded that in the Trust for Public Land, there is a line of credit, but not large enough amount of private donors. Other groups in the steering committee do receive private funding. Leveraged private monies are at a magnitude of 3 or 4 in order to maximize purchasing power.

There being no further business, the meeting was adjourned at 12:46 p.m.