Council Minutes
October 12, 2009
10:00 a.m.

REPRESENTATIVES PRESENT
Chair, Commissioner Bill Dodson, City of Plant City
Vice Chair, Commissioner Jack Mariano, Pasco County
Secretary/Treasurer, Ms. Jill Collins, Hillsborough County Gubernatorial Appointee
Commissioner Nina Bandoni, City of Safety Harbor
Commissioner Ron Barnette, City of Dunedin
Commissioner Kevin Beckner, Hillsborough County
Commissioner Neil Brickfield, Pinellas County
Commissioner Woody Brown, City of Largo
Commissioner Larry Bustle, Manatee County
Deputy Mayor Bob Consalvo, City of New Port Richey
Council Member Alison Fernandez, City of Temple Terrace
Mr. Julian Garcia, Jr., Hillsborough County Gubernatorial Appointee
Mr. Robert Kersteen, Pinellas County Gubernatorial Appointee
Mr. Harry Kinnan, Manatee County Gubernatorial Appointee
Vice Mayor Bob Matthews, City of Seminole
Mayor Bob Minning, City of Treasure Island
Mr. Andy Nuñez, Pinellas County Gubernatorial Appointee
Mayor Kathleen Peters, City of South Pasadena
Council Member Carlen Petersen, City of Clearwater
Vice Mayor Robin Saenger, City of Tarpon Springs
Ms. Barbara Sheen Todd, Pinellas County Gubernatorial Appointee
Council Member Suzanne Vale, City of Oldsmar
Vice Mayor Robert Worthington, City of Gulfport
Mr. Charles Kovach, Alt., Ex-Officio, Department of Environmental Protection
Mr. Waddah Farah, Alt., Ex-Officio, Florida Department of Transportation

REPRESENTATIVES ABSENT
Ms. Jane Bittner, Pinellas County Gubernatorial Appointee
Mayor Scott Black, Past Chair, City of Dade City
Mayor Shirley Groover Bryant, City of Palmetto
Vice Mayor Al Halpern, City of St. Pete Beach
Ms. Angeleah Kinsler, Hillsborough County Gubernatorial Appointee
Councilwoman Mary Mulhern, City of Tampa
Councilman Karl Nurse, City of St. Petersburg
Councilman Patrick Roff, City of Bradenton
Councilman Ed Taylor, City of Pinellas Park
Mr. Charles Waller, Pasco County Gubernatorial Appointee
Ms. Laura Woodard, Hillsborough County Gubernatorial Appointee
Ms. Kim Vance, Hillsborough County Gubernatorial Appointee
Mr. Earl Young, Pasco County Gubernatorial Appointee
Ms. Michelle Miller, Ex-Officio, Enterprise Florida
Mr. Todd Pressman, Ex-Officio, Southwest Florida Water Management District
OTHERS PRESENT
John Healey, Planner, Hillsborough County
Trisha Neasman, Planner, SWFWMD
Shawn College, Exec. Planner, Hillsborough Planning Commission
Joel Clough, Planner, IEM
C. W. Porter, Long Range Planner, City of Clearwater
Barbara Wilhite, Attorney, Stearns Weaver Miller, PA
King Helie, Planner, King Helie Planning Group
Cyndi Taraphin, VP Planning, FL Design Consultants
Al Davis, Citizen
Cindy Davis, Gulfport Citizen
Tim Butts, Principal Planner, EHA
R. B. Johnson, Mayor, Indian Rocks Beach
Lennie Baer, VP, Sirata Beach Resort
Phil Compton, Reg. Rep., Sierra Club
Mickie McMenamin, Commissioner, South Pasadena

STAFF PRESENT
Mr. Manny Pumariega, Executive Director
Mr. Donald Conn, Legal Counsel
Ms. Suzanne Cooper, Principal Planner
Ms. Lori Denman, Recording Secretary
Mr. John Jacobsen, Accounting Manager
Mr. John Meyer, Principal Planner
Ms. Wren Krah, Director of Administration/Public Information
Ms. Jessica Lunsford, Senior Planner
Mr. Greg Miller, Senior Planner
Mr. Brady Smith, Senior Planner
Ms. Erika Wiker, Planner
Mr. Avera Wynne, Planning Director

Call to Order — Chair Dodson
The October 12, 2009 regular meeting of the Tampa Bay Regional Planning Council was called to order by Chair Dodson at 10:06 a.m.

The Invocation was given by Mr. Harry Kinnan, followed by the pledge of allegiance.

Roll Call — Recording Secretary
A quorum was present.

Voting Conflict Report — Recording Secretary
A voting conflict form was filed by Mr. Julian Garcia, Jr. on Consent Agenda Item #3.E.1. Notice of Proposed Change Report DRI #92, Park Place, City of Clearwater and he refrained from voting on this item.
Announcements - Chair Dodson

- Housekeeping Items were distributed in Council folders and Chair Dodson requested the forms be completed and returned. These items included Committee Assignment(s) request, Invocation sign up, Update of contact information, and the 2010 Schedule of Meetings Dates.

- The 18th Annual Future of the Region Awards will take place on Friday, March 19th, 11:45 a.m. at the Quorum Hotel in Tampa. The Call for Entries was distributed and entry forms can be downloaded from the website www.fbrpc.org. Local governments are encouraged to enter and showcase projects. The deadline for entries is Friday, January 9, 2010.

- Chair Dodson mentioned two events of interest:
  The 4th Annual Regional Transportation Forum
  November 2, 2009 @ 2:30 p.m.
  Crowne Plaza Tampa East

  Tampa Bay Trends Conference
  December 4, 2009
  Vinoy, St. Petersburg
  Sponsored by the Urban Land Institute

1. Approval of Minutes – Secretary/Treasurer Collins
   The minutes from the September 14, 2009 regular meeting were approved (Kersteen/Matthews).

2. Budget Committee – Secretary/Treasurer Collins
   The Financial Report for the period ending 08/30/09 was approved (Todd/Núñez).

3. Consent Agenda – Chair Dodson
   A. Budget and Contractual - None

   B. Intergovernmental Coordination & Review (IC&R) Program
      1. IC&R Reviews by Jurisdiction - September, 2009
      2. IC&R Database - September, 2009
   
   Action Recommended: None. Information Only.

   C. DRI Development Order Reports (DOR) - None

   D. DRI Development Order Amendment Reports (DOAR)
      DRI # 74 – River Ridge, Pasco County
      Action Recommended: Approve staff report.

   E. Notice of Proposed Change (NOPC) Reports
      1. DRI # 92 – Park Place, City of Clearwater
      2. DRI # 245 – Big Bend Transfer Company Sulfur Handling Facility, Hillsborough County
Action Recommended: Approve staff report.

F. Annual Report Summaries (ARS)/Biennial Report Summaries (BRS)
1. DRI #106 - Corporex Park, RY 2008-09 Annual Report, Hillsborough County
2. DRI #170 - Westfield Citrus Park Mall, RY 2008-09 Annual Report, Hillsborough County
3. DRI #190 - University Commons, RY 2008-09 Annual Report, Manatee County
4. DRI #224 - GATX Tampa Terminal Expansion S/D, RY 2008-09 Annual Report, City of Tamp
5. DRI #231 - CFI Gypsum Stack Expansion, RY 2008-09 Annual Report, Hillsborough County
6. DRI #240 - Heritage Harbour, RY 2008-09 Annual Report, Manatee County
7. DRI #242 - Phosphogypsum Stack System Expansion, RY 2008-09 Annual Report, Hillsborough County
8. DRI #243 - Mitchell Ranch Plaza, RY 2008-09 Annual Report, Pasco County
9. DRI #244 - Cypress Creek, RY 2008-09 Annual Report, Pasco County
Action Recommended: Approve staff reports

G. DRI Status Report
Action Recommended: None. Information Only

H. Local Government Comprehensive Plan Amendments (LGCP)
Due to statutory and contractual requirements, the following reports have been transmitted to the Florida Department of Community Affairs (FDCA) and the appropriate local government in accordance with Rule 29H-1.003(3), F.A.C.
1. DCA # 09-2AR, Hillsborough County (proposed)
2. DCA # 09-1AR, City of Tarpon Springs (adopted)
Action Recommended: Receive and file.

I. Local Government Comprehensive Plan Amendments (LGCP)
The following report(s) are presented for Council action:
1. DCA # 09-1, Pasco County (proposed)
2. DCA # 09-1ER, City of Tarpon Springs (adopted)
3. DCA # 09-2AR, City of Clearwater (proposed)
Action Recommended: Approve staff reports

The Consent Agenda was approved. (Todd/Matthews)

4. Item(s) Removed from Consent Agenda and Addendum Item(s) - None
5. Review Item(s) or Any Other Item(s) for Discussion - None

Chair Dodson: At the September meeting, Council indicated that they wanted to continue the discussion on drilling in the eastern Gulf of Mexico. A panel of experts has been assembled to provide detailed information on the myriad aspects of the issue.

6. Mr. John Rodi, Deputy Regional Director for the Gulf of Mexico Region, Outer Continental Shelf Minerals Management Service; Dr. Lianyuan Zheng, USF College of Marine Science; and Ms. Diana Ferguson, Florida Association of Counties spoke on the subject of drilling in the eastern Gulf of Mexico.

Mr. Rodi provided information from the perspective of the U.S. Minerals Management Service (MMS) for the offshore program in the Gulf of Mexico and the Federal Outer Continental Shelf in the United States.

The energy demand in the United States is the driving force behind offshore drilling. We are trying to satisfy the demand. Even with the growth of renewable energy we will still continue to rely on imports. The latest projections for 2030 indicate that consumption is still going to continue to grow in the U.S. and our energy reduction is not going to be sufficient to offset growing consumption. As we look into the future we will continually be competing with other countries for those imports. World consumption will grow much greater than U.S. production, and U.S. consumption is going to grow in the future. This means that we are competing with a lot of other nations for the same imports. The result of that is increased competition which will mean higher prices. A lot of people talk about energy security and things like that which is debatable as to whether we really need to pursue energy independence for national security reasons. The bottom line is, the real reason we are pursuing increased energy production, including oil and gas is so that we can get a better handle and better control on the economic situation that faces us. If we have to go out and compete on the open market for these imports against other countries it will get increasingly expensive. The idea is to try to have more control over your own domestic situation.

The Gulf of Mexico is a prime supplier of oil and gas in the United States. Most of the active leases are located in the Western and Central Planning Areas with a few in the Eastern Planning Area. There are thousands of leases that are active and thousands of approved applications to drill. There are also thousands of platforms. We are moving into deeper water with depths of 1,000 meters and we now have more leases there than we have on the Shelf. There are some implications that Florida has to consider in terms of the impacts of deepwater activity versus the shelf. It is a deepwater scenario that we are looking at and will be looking at as we continue over to the Eastern Gulf as well as activities in the Destin Dome area on the shelf. The Gulf provides about 25% of all domestically produced oil, and about 72% of what we supply from the Gulf of Mexico comes from deepwater.

We currently provide approximately 15% of the domestically produced natural gas from the Gulf of Mexico and about 38% of that comes from deep water. This is equivalent to 6% of the total U.S. production.

Mr. Rodi showed a graphic of new projects for the future. In the future we will see more and more
reliance on the deepwater properties. A lot of these are located southeast of Louisiana and south of Mobile, Alabama. It is an arbitrary line that separates the central Gulf from the eastern Gulf and so it seems reasonable that the same trends that are driving current production would exist on the eastern side of the line, in the eastern Gulf of Mexico.

As a result of all the deepwater discoveries we are expecting a turnaround in U.S. production. Oil production is going down, however, we are predicting because of these deepwater finds that are coming on line it is going to increase through 2013. Then it is expected to go down again unless we start finding new areas that have not previously been explored on the other continental shelves. The oil production forecast is based on what has been discovered to date. Gas production has been in a tailspin. We are expecting that some of the gas plates that have been discovered in the Gulf of Mexico will result in increasing gas production in the future.

The U.S. Geological Service has come up with estimates of undiscovered resources based on the geology they see in different areas. We are seeing the Gulf of Mexico being an area of prime potential in the future, relative to all other outer continental shelf areas. It is considered to be the leading area, even for things that have not yet been discovered. The eastern Gulf, if you rank it to all other outer continental shelf planning areas, is the third most prolific in terms of expected potential when it comes to gas and the fourth most when it comes to oil. The central Gulf and the western Gulf are first and second. California is the third for oil.

Past eastern Gulf of Mexico offshore activity:

14 lease sales to date since 1959
662 leases issued
65 wells drilled
20 wells with commercially producible hydrocarbon discovery

Of the 65 wells that have been drilled, 20 have had commercially producible hydrocarbon discovery. We have an active environmental studies program to help in the decision making process as we go forward. If the US goes in the direction of pursuing offshore energy in the eastern Gulf of Mexico you can expect more studies. Forty four contract environmental studies specifically pertaining to the eastern Gulf of Mexico resources have been completed to date. There have been 18 coastal and marine ecosystem studies; 15 physical oceanography studies; and 11 socioeconomic studies.

There are about 125 active leases in the eastern Gulf of Mexico. We are in negotiations with Eglin AFB in the panhandle regarding any activities that might eventually happen to the east of the Military Mission Line in the Gulf to ensure the military is able to use the Gulf for their purposes.

The Destin Dome area is a prime target of interest in the eastern Gulf. There are two leases that have been allowed to stay active in this area because of a gas discovery. Right now those leases are in suspension status until 2012, after which time the lessee will have to get approval from both MMS and the state of Florida before they could move forward.

If we do pursue any increased activity in the eastern Gulf of Mexico, particularly in the deepwater area, what you can expect in terms of a development concept is something that is actually occurring in the central Gulf, which is the Hub Development Concept. This concept is when you have floating production facilities that are tethered to items set on the sea floor which can reach out
for miles and miles. You would have a floating structure that would be servicing many fields and many leases. They would use a floating production storage offloading facility or pipelines. The concept is far different than the traditional oil and gas rigs that were used in Louisiana and Texas in the early days. The idea is to minimize the number of structures needed. The Cascade Chinook is a project that MMS has approved but it isn’t in place yet as it is in the final phases of the development plan. It is something that has been tested and used in other parts of the world, especially in Brazil.

The eastern Gulf of Mexico is still under restriction and under moratoria through 2022 under the Gulf of Mexico Energy Security Act. Before we would do any expansion of activity in federal waters this legislation would have to be lifted or revised. There have been some developments of proposals in case that legislation is revised. Congress has come up with various pieces of legislation and the American Clean Energy Leadership Act came up with a sample bill for some form of leasing and potential activity and a buffer zone along the Florida coast. None of these things have been finalized.

Gulf of Mexico pipelines are the primary method used to transport liquid and gaseous products between production sites and onshore facilities around the Gulf of Mexico. As of June 2006, there were more than 22,991 miles of active pipelines.

The onshore infrastructure is going to be located where there are ports. They have to be near a port since they will be using the waterways. As we move forward a question will be, are there any existing ports in Florida able to service any offshore oil and gas activities, depending on where they might be? I don’t envision a push to establish new ports. Usually they try to site their activities at an existing port location.

According to the US Energy Information Administration, US refineries are currently operating at an 85% utilization rate. One-third of operable US petroleum refineries are located in the Gulf states of Alabama, Louisiana, Mississippi, and Texas. In recent years, refining operations were consolidated, the capacity of existing facilities was expanded, and several refineries were closed. About 60% of refinery inputs are imports. The biggest thing that would happen if we do have an expansion of domestic production is the backing out of imports as domestic production would take precedence.

More than half of the current natural gas processing plant capacity in the US is located convenient to Gulf of Mexico offshore, in Texas and Louisiana. We have seen, as production increased south of Alabama, some new processing plants built. Our projection is if there is a significant increase of activity in the eastern Gulf there might be new gas processing plants established on the coast of Florida, depending on whether they are approved or not.

The volume of reported oil spill incidents in US waters has been on a steady downward trend since 1973 due to positive prevention and preparedness initiatives, however, statistics can be misleading. Based on the analysis of Coast Guard data, tank vessels (ships/barges) account for 47% of volume spilled; facilities and other non-vessels - 22%, pipelines - 17%, mystery sources - 8%, and non-tank vessels - 6%. The majority of reported spills since 1973 involved discharges between 1 and 100 gallons. In 2008, there were 33 spills and all of them were small. It is not unusual to see 4-7 spills in a year in non-hurricane years. In light of all the activity going on in the Gulf of Mexico it is a very small number.
There were no accounts of environmental oil spill consequences resulting from hurricanes in the Gulf of Mexico from 2002-2008. Of the 231 spills that were analyzed, 206 (80%) were minor, which is less than 238 barrels in size. Twenty-five (11%) were medium (238 to 2,380 barrels in size). Platforms and rigs were the source of 111 (48%) of the spills and pipelines were the source of 120 (52%) of the spills. None were considered major by the Coast Guard. There are several reasons why the spill rate was not greater given the amount of damage that happened during the hurricanes. The offshore technology in the Gulf of Mexico in federal waters is such that all the facilities are shut-in prior to the hurricanes so that oil losses were mostly limited to the oil stored on the platforms and rigs or contained in damaged pipeline sections between the check valves. There is a lot of protection in the system so that when a change in pressure is detected the automatic shutoff valves would be triggered. There is little chance of an uncontrolled release of hydrocarbons because of an accident. The Australian situation that has recently been in the news - we would not have permitted that facility, based on federal regulations. Secondly, it does not have the pressure testing and sensing devices. You can’t really compare the situation that is happening in Australia and other parts of the world with the Gulf of Mexico situation and I would strongly suggest that if we move forward in federal or state waters we need to constantly think about the design standards that are necessary to mitigate and prevent damages.

Before we move forward with any future activity we perform an oil spill risk analysis (OSRA). We have a model in-house that has been funded through various studies. We run this every time we look at any proposal for future leasing. We did an OSRA on Proposed Lease Sale 224 in the Gulf in 2006 and we came up with the probability of less than 0.5% of an oil spill along the coastal zone in state waters and on the beaches.

If the state of Florida or any coastal state goes down the path where they want to consider any expansion of offshore leasing and potential activity there is a lot of coordination that happens before leases are issued. Most importantly, even after the lease is issued, the state has the opportunity for input, and comment, for effecting mitigation. That happens at various steps in the process. For more information: www.mms.gov

Dr. Lianyuan Zheng, College of Marine Science, University of South Florida, provided a presentation on Gulf currents and the potential for oil from drilling to reach Florida beaches.

The eastern Gulf of Mexico deep-ocean circulation consists of the Loop Current/Florida Current/Gulf Stream system, which is always present. Materials entrained in the loop current can quickly flow through the Florida Straits to the Florida Keys and the east coast. Circulation is driven mainly by winds and surface heating. The currents are well defined and have a seasonal cycle, with the near bottom circulation accounting for the across-shelf transport of nutrients from the deep ocean.

An understanding of the shelf ecology must begin with an understanding on how the currents distribute water properties. Given the shelf width and the nature of the currents, arbitrary distances from land are not in themselves sufficient indicators of environmental safety.

If the boundary for oil and gas drilling in the Gulf of Mexico moves within 125 miles of Florida, a broad segment of the state’s coastal beaches would be at risk for pollution, oceanographers say.
Oil and gas rigs in the eastern gulf would be affected by the powerful Loop Current, which circulates warm water from the Caribbean Sea up toward Louisiana, then sweeps it down through the Straits of Florida, around the Keys and up the Atlantic coast to join the Gulf Stream. Pollution from the rigs that settles into the Loop Current would flow south and coat the Florida Keys, then be pushed north and wreak further havoc along the state’s Atlantic coast. It could affect the beaches and reefs all the way up the east coast. The distance from shore that a spill occurs does not guarantee the shore will be safe. Winds and currents, as well as the time of the year the event occurs, will determine the path of the material. For more information and data:
http://ocgweb.marine.usf.edu

Ms. Diana Ferguson, Legislative Staff Attorney, Florida Association of Counties (FAC), lobbies environmental, agricultural, energy and utility issues for the Association and is the primary staff contact in developing an oil and gas policy for the statewide association. Ms. Ferguson described the policy development process and provided an update on the status of their discussions.

Policy discussions began with the FAC Energy Independence Workgroup. This was an ongoing committee that was already in place with 19 County Commissioners and 5 County Staff who are appointed by the FAC President. Other members who are interested in learning about a particular issue are welcomed to sit in on those meetings. They recently met for two days in Gainesville with one day primarily devoted to solar and another for renewable energy technology and one day devoted to oil and gas presentations. A diverse panel of folks from Minerals Management Service, the Department of Environmental Protection (DEP), Mote Marine Laboratory, the Florida Petroleum Council, the Natural Resources Defense Council, Tim Center with the Collins Center for Public Policy moderated.

There are two different proposals on the table, a federal and a state. FAC is focusing primarily on the state proposal because it’s going to be a legislative issue during the next session and it’s something that we are going to have to be addressing in the immediate future.

DEP’s staff gave us an overview of the current state law. Basically that controls state waters which in this part of the state is approximately ten miles offshore. We already have an offshore energy exploration program in the statutes, which is inactive. It grants the Governor and the Cabinet sitting as the Board of Trustees of the Internal Improvement Trust Fund the authority to negotiate and to sell and convey leases pertaining to oil and gas exploration, but it also expressly prohibits them currently from granting, selling, or executing any leases within Florida waters. By the same token DEP is granted the authority to regulate oil and gas exploration, but then they are expressly prohibited from granting any permits right now. That has been the case since the early 1980s. Before that we had a state program in place and 19 wells were drilled from 1948 to 1983 in state waters. There were three different areas tested. There were ten wells drilled off the coast of Charlotte and Lee Counties and off the Florida Keys and then there were six in the panhandle and three in the northern Gulf coast. Only one of those wells had a significant show of oil. In 1947 Coastal Petroleum was granted three drilling leases in state waters. Two of them covered the majority of the Gulf coast and the third one covered Lake Okeechobee. In 1968 there was litigation over the validity of those leases and legal action continued up until 2005 when the state finally settled the issue and paid $12.5 million to buy back those leases.

In the 2009 regular legislative session HB1219 would have removed the prohibition that was just described on granting or permitting leases. It required the DEP to accept bids on or before September 1st of each year. All of the bids would be required to include a $1 million non-
refundable bid fee submittal and the Speaker of the House indicated that with any legislation this fee would be $5 million. Also, no structures above the surface of the water would be closer than three miles from the mean high waterline and statements of past consideration and royalty. Any monies collected as a result of those leases were authorized in that bill to be appropriated up to $300 million for Florida Forever, up to $20 million for beach restoration and re-nourishment, and then up to $20 million as payments to local governments in affected coastal counties. Financial responsibility in that bill is required in the amount of either $500 million or a calculated cost estimate that would be provided by the applicant. Most notably for local governments, cities and counties, any structure more than three miles from a municipality or a county would not require that local government’s consent prior to the granting of the lease. Any underwater structures could be placed within three miles without the local government approval. That wasn’t a fully developed concept. Apparently there has to be at least something above the water temporarily in order to install some of that submersible technology. Everyone knows that the bill passed out of the House at the end of the session and the Senate did not consider it. There was very little in the way of presentation or discussion or debate. It will be different the next time around.

During initial discussions it became clear that there are diverse opinions on this issue. Some members feel FAC should oppose this at all costs and there shouldn’t be any discussions. Everyone was concerned about the proposal but some folks felt that we, as an association, would be more effective at the table expressing our concerns and trying to make the end result the better one. There was a good deal of discussion about the political aspect. Our folks recognize that the incoming Speaker of the House has made this his top priority. The incoming Senate President supports the concept as well. At a minimum everyone recognizes that those facts make the possibility of an offshore energy program in Florida state waters more likely. Everyone thought that the way the House handled this issue last session was too rushed and generated a lot of ill will. FAC’s policy statement urges the legislature to proceed in a slow and deliberate manner. The group also generally agreed that the legislature creates task forces for much less important issues all the time, why not create some type of a study commission before making such a huge shift? We know that politically there is clearly a big push for this to happen sooner than later and a legislatively created study commission is not all that likely. The Century Commission is putting together an Exploring the Gulf Summit and that is a much needed fact finding exercise. FAC is very supportive of this and will participate in this effort.

The Energy Independence Workgroup met in September at the recent FAC Policy Conference. We had a draft policy statement in front of us at that point and discussed it. Some of our folks thought this was really a good thing for the economy and we should be taking it seriously. Some of our folks clearly expressed that the risk outweighs the benefit. We know it’s going to be really difficult for us as a statewide association to achieve any kind of consensus on this issue. That has left us with trying to draft a policy statement that everyone can live with. We decided initially to take positions on what you might consider the “low hanging fruit.” For example, oppose anything that preempts local land use regulatory authority for any infrastructure on the land associated with drilling operations; oppose anything that conflicts with military operations in the panhandle. Aside from that we’ve come up with a list of concerns that need to be addressed in the legislative process. Also, everyone wants to know more about how pipelines or rigs can affect the offshore sand sources currently used for beach nourishment and how to protect that in any plan going forward. Funding priorities should be that the prioritization of any financial benefit realized from any of the leases should include revenue sharing for local governments, funding for key environmental programs such as beach nourishment, water quality and supply, and island protection trust fund. It should also be used for the creation of a statewide disaster fund to allow the state to respond quickly in the event of a spill which would include economic development funds to assist local governments and local businesses in recovery efforts that would be necessary after a spill.
Almost everyone agreed that this is the right way for FAC to proceed even though a few counties had individually weighed in to oppose or to support because we do have counties on both sides that have passed resolutions. After we had that discussion at the FAC Energy Independence Workgroup meeting, that group took the policy recommendation to the larger Policy Committee that covers growth, environmental planning and agriculture. There was another lively discussion, but we now have a draft policy statement. It won’t be finalized until our Legislative Conference in the first week of December when the membership will vote to finalize the statement. Everything is subject to change dependent upon those discussions. Several counties in southwest Florida have passed resolutions with some degree in opposition. A couple have suggested that they would oppose anything closer than 25 miles in. Some have opposed it all together. Again, some generally support it. We are trying to make sure that all of the policy questions are taken seriously and answered in a deliberative way.

Chair Dodson: We’ve had three panelists speak with us this morning representing viewpoints that I believe all of us have an interest in. Mr. Rodi spoke from the field of science and how the eastern Gulf and western Gulf could be affected by any type of oil or gas drilling. Dr. Zheng talked about the currents in the Gulf and how they move elements in the water from one place to another. Ms. Ferguson spoke on how everyone in the state is trying to come to grips with the complexities of this issue and what the proper policy initiative should be going forward. We know that in the next legislative session that this will be coming up as a priority item for discussion. There is also legislation at the national level.

In September, the Agency on Bay Management had five speakers and they had 32 members of their Full Agency attending this three hour meeting. There is a lot of passion on this issue. When the ABM Chair reported on that meeting last month there was an outcry of passion from the board membership of this Council which caused me to think that there needed to be more discussion, which we attempted to provide today with these panelists. Manny, Suzanne Cooper and I talked about this further last week and the thought that was presented to us last month was how we, as a group, might go forward with presenting our views and how we feel about oil and gas drilling in the Gulf of Mexico. There were different perspectives on how we might achieve that. Some thought a resolution might be in order and others thought a more general outlook and perspective on how we would handle this matter going forward should be presented. I have taken the liberty to prepare a few points that I would like this board to consider (before we take any action after questions) that would lead us toward a letter of concern that many have already registered specific notions about. It would allow us to be more deliberative in our manner and allow more time for further discussion on this to come about, especially as the legislative session gets underway. The elements that I think are important for consideration are: What ways could Florida benefit from an offshore energy exploration or development program? What are the economic affects, especially on tourism, in realistic terms? Have we had an independent assessment of oil and gas exploration and development impacts on Florida’s economy? Have the existing leases in the western Gulf closer to the existing refineries and distribution systems been fully explored and developed and if not, why? The ecosystems of coastal Alaska have not completely recovered from the 1989 Exxon Valdez oil spill so how would a major spill or series of lesser spills on Florida’s lower energy Gulf coast compare in terms of impact and recovery time? What is a realistic time line for exploration and development of oil and gas refineries in the industry to occur off the coast of Florida? What are the infrastructure needs associated with oil and gas exploration and development off Florida’s coast? How are local governments’ land use regulatory authority be respected? What are the potential impacts to military
operations in Florida? What technologies are planned for use in Florida’s waters and what provisions are guaranteed to deal with human error and equipment failure? And finally, how would the proposed exploration and development of production rigs and pipeline systems fare in a hurricane or hurricanes compared to the existing systems that suffered considerable damage in 2005?

My proposal is that this board take into consideration not only these thoughts but any thoughts that you would offer as well and prepare them in a form that would be presented to the Governor, the President of the Senate, the Speaker of the House, and to our local legislative delegations so that as they prepare to go into sessions and talk further in detail about state legislative mandates, they have a record of account from this membership that can be useful in guiding them on how four very important counties on the west coast of the state of Florida feel about what it may mean to their counties and their cities and to tourism.

Having said that, I know you may have comments that you would like to offer and questions for the panelists and the floor is open. Afterwards we will decide on what action to take.

Questions & Comments:

Vice Mayor Worthington: I am of the opinion that I don’t believe we should put any more leases out than are already existing since the leases that are there have not been fully explored. The oil and gas that is derived from the Gulf of Mexico has no guarantee that it will come to the United States because it will be on the open market and up for sale to the highest bidder. While we are saying it will help us it will actually help the highest bidder. There is too much at stake on tourism and to our environment. The oil rigs themselves, they say they have a 2% per year leakage rate that is acceptable and known and somehow they think that’s OK. Well 2% might be alright until you are talking about a billion barrels of oil and then what’s 2% of that? The onshore infrastructures are massive, the crude oil that comes out of the Gulf of Mexico is sour crude, it takes a lot of processing, there are a lot of heavy metals and contaminated waters in it, and its going to take a very large inshore infrastructure just to deal with that. The sections of pipe that are used in drilling come in 60 foot sections. They are drilling thousands and thousands of feet so all of that has to come through our neighborhoods, through the streets to get to where the boat can receive them and when they get to the port areas, whether they are existing ports or not are already crowded but you have to have these large port facilities to support the oil industry. Twenty four or twenty six cities in Pinellas County have now passed a resolution against the near shore oil drilling. I would like to see this body also pass one.

Mayor Minning: In your packets you have a copy of a resolution that the Big C Barrier Island Governments Council passed. It will give you some idea of the stance that the 11 barrier islands have taken on this issue. We think it is scientifically based and with all due respect to MMS, I would be happy to provide the data to you. You cannot drill and not spill. At the ABM meeting we had a gentleman from American Petroleum who produced a document that was written in 2009. If you couple that with the Fishkind Study (a state economic analysis firm) and came up with estimates that
the recoverable reserves in the eastern Gulf of Mexico was somewhere between 3 billion equivalents, 8 billion equivalents, and 16 billion equivalents in barrels. If you take those numbers and use them with the API data you will find that the spillage, using the Fishkind numbers, spills at the 3 billion rate would produce 16,180 barrels of spillage at a rate of 8 billion gallons. At 3 billion gallons of production there would be 22,945 barrels of spillage and at a production rate of 16 billion gallons there would be 122,072 barrels of spillage. Assuming that the production takes place over 20 years that would mean that the average annual spillage, and this is using API data, would equate to 1,127 barrels per year at 3 billion. The API data has shown spillage rates have come down, but nonetheless, these are their numbers and the point is that you can’t drill and not spill. Those numbers I gave you would be for every year, for 20 years. We simply cannot, in this economy and our environment here in Pinellas County and in the Tampa Bay area, afford to have that kind of spillage. Is that all going to be at once? No. Just this past year, July 26, offshore from the coast of Louisiana there was a pipeline break that spilled 36,000 gallons or 1,500 barrels. It happens and my point to you is to say that we don’t need it to happen in state waters, and we don’t need it to happen specifically in this area. We have done a lot of research on this and believe we are fact-based on what we are putting forward. We tried to use the industry standard numbers, but again, I think the resolution that Big C passed is appropriate for this area. Nobody has mentioned the cost to tourism and I can speak first hand about the 1993 spill that happened in Tampa Bay which came around and affected Treasure Island and a number of beach communities. The impact of that was significant, resulting in about a two year decline in our tourism based industry and the estimated cost from PVC was about $5 billion. When you look at those numbers compared to the promise of royalties from drilling they don’t add up. I urge your support. The final thing I would put in front of you is this Council’s own policy with respect to offshore drilling which are in your packet. Policy 4.75 states Prohibit offshore oil and gas leasing or exploration within a 100-mile buffer along the Gulf coast of Florida. That is this Council’s position on offshore drilling.

Council Member Petersen: I’ve been sitting here listening to all these discussions, and with all respect to Mr. Rodi, I think back to the 1970s when we were warned about energy dependence and where this country was going. I think we ignored those warnings. When I sit and listened to your presentation, I agree. The consumption demand is going to increase. My question to you is, what is the federal government doing to curb our consumption demand and define alternative energy sources? What worries me is we need to wean ourselves off this source of energy and I would rather see the best and brightest working on finding sources that will secure our country and our energy needs, but certainly not by oil. We need to learn a lesson at some point that this is probably not the best way for this country to go. I also sit on the Tourist Development Council for Pinellas County and I’m reminded daily, in Pinellas County it is a $6 billion industry annually and it concerns me when I’m hearing what’s coming out of Tallahassee and the revenue projections that are being dangled in front of our legislature if we should allow offshore drilling and it pales by comparison to what we depend on in Pinellas County annually. I absolutely agree with Mayor Minning. Pinellas County could not afford an oil spill off our shores. For
those reasons alone I would encourage this Council to take a position against offshore drilling.

Commissioner Beckner: This question is for Mr. Rodi or anyone else that would like to chime in. With our current leases that we currently have, and I just want to make sure that I understand what this figure might be, what capacity are we producing oil at right now with our current leases?

Mr. Rodi: I don’t have the figure right now in terms of the actual percent of all the leases that are currently producing but again, I would caution everyone when you are talking about the existing inventory you have to recognize the nature of the process that it takes to get to the point where you actually are producing. We issue leases with either a 5, 8 or 10 year lease term. That gives a company 10 years to go out and actually, if we are talking deepwater, do the exploration to make a reasonably informed decision as to whether they are going to develop the lease. And even if they do exploration sometimes they walk away from it. A lot of the existing lease inventory that you see that has not yet explored or developed are leases that are in their initial primary term. Once they get to that point where they have made a decision that they are going to develop, then they are in the process of trying to figure out the best configuration. Again, we don’t want them to put a platform on every lease. We want them to come up with a development plan that makes sense, that will conserve the resources and also make economic sense in terms of the profile/footprint of what’s going to be put there on the floor. We really don’t have a very strong program where we don’t grant lease extensions, where we extend unnecessarily unless there is a legitimate reason. The majority of leases that have not been explored or developed at this time are those that are in their primary term and legally the companies have the right to make their decisions as to whether they are going to explore or develop those leases.

Commissioner Beckner: I think it’s pretty pertinent because if we are talking about that we have “X” amount of leases that having reached their capacity if we have areas that have already been approved for drilling and we don’t know where we are at in capacity, why are we in a rush to try to expand our capacity if we can’t say that we’ve already tapped out where we already have leases or even the areas that have already been approved?

Mr. Rodi: I guess if you are suggesting that companies should be forced to drill less perspective properties at higher costs and lower margins before pursuing where the largest oil finds are - I think the chart I showed you in terms of the lower tertiary-the deepwater, that trend that’s where you get the bang for your buck. That is where you are going to effectively be able to have finds that may in essence have some economic impact in this country in terms of the cost of our energy. If the proposal you are suggesting is that we should not pursue any large finds anywhere else until the existing inventory is exhausted of all leases, including those that may be marginally less economically, then that’s going to have economic implications as well. It’s not quite as simple as saying drill everything you have right now before making a decision to go anywhere. It’s a business decision. It has to be based on the resource potential as well as the economic cost and what it is going to buy our nation in terms of lower cost energy.

Commissioner Beckner: Well, right. There’s just been a lot of talk and discussion about how
much oil is left in the Alaskan shelf and people asking why not go there when it’s already approved. I think it is prudent that we look at again where we are at in capacity, not to say we shouldn’t look at other areas. We still have all those leases and space available where they are already approved.

Mr. Rodi: I agree wholeheartedly that we should be looking everywhere, we should be looking at all areas, we should be looking at all forms of energy including renewable energy. Almost everyone is saying, and again, I’m not the expert per se on the future demand for energy in this country, but almost everyone is saying as we move into the digital age, as we move into the electronic age, all of this is increasing our demand for energy. If you look at what people are consuming in their homes, yes that may be dropping and we are making improvements in terms of the amount of energy per capita that’s being consumed in residential situations. But almost all the research is saying as we move into an electronic age that is increasing in some cases energy demands to meet those commercial needs. The country in and of itself has to make decisions as to what we can do to reduce consumption. Even with the best estimates that we can see in terms of bringing renewable energy on-line, it’s still not enough. It’s still going to force us to go to the world market in order to meet our energy needs.

Commissioner Beckner: You mentioned looking at 2002-2008, you were talking about spillage and things like that, why did we use that time frame? And, since we have been keeping data and a history, is there a similar time where a hurricane or something has caused a major spillage that would be considered a large spillage and what has been the impact?

Mr. Rodi: Back in the early 70s we didn’t have the controls we have now. There were devastating spills. There are also devastating spills from tankers. 48% of the spills that we see every year in the Gulf of Mexico are coming from vessel traffic and a lot of that is imports. The time frame I used from 2002-on is because of the implementation of several of the responsiveness drills. A lot of the improvements that we made in the regulatory regime as they pertain to oil spill mitigation and oil spill preparation and responsiveness were effected in 2002 and so that is the basis. The statistics suggest that there has been a steady decline since that point in time. Now, there have been blips here and there and I can’t answer your question specifically about a specific hurricane and what the results were, but I can get that information.

Commissioner Beckner: My final question is, do we have the scientific capability when we are talking about the current flows - to be able to predict the probability of an oil spill and to what magnitude it would have at different locations on what’s being proposed in the legislation, and is there a way to measure the economic impact that such a spill would have? We are going through all the current flows and things like that, I guess all the locations where it’s being suggested that we go offshore, is there a scientific model that has been developed to predict probability and what communities would be impacted?

Mr. Rodi: Yes, MMS has spent millions and millions of dollars on our oil spill risk analysis model and it incorporates the trajectory information very much like what was mentioned by Mr. Zheng earlier. You can treat it two
different ways. You can look at it as a conditional spill, assume a spill is going to occur in this location based on the trajectories and it will give you an estimate or probability estimate of what spill of what size will go where. You can also treat it from a probabilistic standpoint of the probability of a spill happening here and combine that with a joint probability of the trajectory model and come up with something that is probably more realistic. The bottom line for us is that our data in the deeper water off the shelf, our trajectory information is better and we feel more confident in that once you get into the near shore areas close to shore we are not all that confident right now that all the best information is in our system, but it would get incorporated into the system. For example, before MMS would make any sort of reasonable estimate as to what the impacts of the sale might be. We run this model for every proposed action. I was talking to some of the oceanographers a couple of days ago asking about the shelf circulation models and that’s something we would have to look into in order to make informed decisions.

Commissioner Beckner: If you can get that for me that would be great. Thank you.

Vice Mayor Matthews: Tallahassee needs to realize their responsibility for us. We need to communicate with them now. If Tallahassee gets some money out of this they aren’t going to give it to us. They are going to take it and balance the budget with it.

Vice Mayor Saenger: I think this issue is much more complex than just whether or not we are going to try to do future damage control in the Gulf of Mexico. Obviously to me there is a whole separate issue as to what we would do if there is a spill. Basically we can’t drill our way to energy independence and when we think of energy I tend to think of filling up my car with gas or turning on my a/c at my house or that type of very basic energy need. Even that issue is so much more complex than that. One of the largest producers of green house gas and one of the least worthy use for energy consumption is producing beef cattle. Things are way off in left field besides whether or not we are going to drill in the Gulf. I think that the oil companies and the drilling companies are speculative. They deal on how they can tie up their leases, how much on paper their companies are worth, and even that is in its own world unto itself. The Gulf of Mexico is a big candy and to think there is a nugget down in the middle of that candy of oil, is just not true. I think the way to address that is reaching past the resolutions of - we are a tourist based economy, yes oil spills would be bad for our state - we need to look at this in a much broader perspective. We need to make our leadership in Tallahassee and at the national level responsible for reducing oil consumption by educating the public of how much might be done and how everything is interconnected. I think this is a very small microcosm. Mr. Zheng says yes, if there’s a particle of oil it will go here. Well that’s useful information but I think we need to be focusing on something much larger.

Vice Chair Mariano: One of the things I liked that Ms. Ferguson brought out is the Gulf Summit and I think our state legislature should focus with all the other states and try to work together and focus on the 7200 non-producing leases that are out there right now. Never mind the 522 that have produced and don’t have expirations on them. Local control, I think anything the state does should come back to local that will be affected and
let the local people decide if they do want to have something out there that far. As far as reducing consumption, we are the sunshine state. We do not have a mandated state program for renewable energy. We have something that’s been recommended but there’s no teeth in it whatsoever. New Jersey surpasses us right now and they are going crazy with that. That came out of the FAC Conference. What we need to do is focus on that rather than the drilling. And if we are going to set up a Gulf Summit let that fund it and work with that. President Obama, on page 3 of what was sent to us, talked about putting a $4.00 taxpayer per acre on renewable energy on uses. A $4.00 tax per acre for every non-producing acre of land that’s out there that has a lease on it. That will probably fund this program across the whole state and let it go. We are going to have Progress Energy come to our next meeting here and talk about putting a regional plan in for plug-in vehicles across not only just the Tampa Bay region but I think it will stretch out to Orlando to focus on reducing that. I want to see this Council moving forward with that. I think that would be a great way to go. Again, Mr. Rodi, if you would just speak for a minute on one of the things you mentioned at the FAC meeting. You talked about some of these leases are set up where these people can drill but only three months a year. Would you address that for everybody?

Mr. Rodi:

What he is talking about are the leases that we went into an agreement with the military in the eastern Gulf of Mexico. As you well know, the military is a big player and user of the offshore space in the Gulf and so we do consult with them regularly and one of the arrangements we have with some of the existing leases are drilling windows and those drilling windows open for three months out of a fifteen month period and the companies are allowed to go out and do their exploratory work during that open period. Then the remaining 12 months of the 15 month period they are not allowed to do anything except make sure that the area is free and clear for the military to use. That’s an example of space used coordination and one such agreement that we worked out with the military at this point. For other things in the future, if there’s any additional leasing activity east of that Military Mission Line it would certainly require some sort of negotiations and compromises.

Vice Chair Mariano:

One thing to keep in mind is the large leak/spill in Australia right now. That has the benefit of a huge dissipation. We still don’t know what’s going to happen there. Mr. Rodi mentions that they didn’t use the same precautions that we use here and that may be, but we need to look at that so it doesn’t happen here. The last thing we can afford is to have something like that right off our coast.

Ms. Todd:

I honor the position you are in Mr. Chair, trying to come up with a solution and I’m going to recommend one. First of all, I agree with what everyone has said here. The Mayor cited concerns about our tourism industry and that’s absolutely vital to the Tampa Bay area. You cited the need for alternative energy, you’re right. Our country hasn’t done anything. I remember the Gulf of Mexico program. I was one of five people from Florida appointed to serve with about 20 state and federal commissions from Florida, Alabama, Louisiana, Texas, Mississippi—all the states that border the Gulf of Mexico as well as the country of Mexico. As a part of my responsibility we met with the oil companies, we
met with the tourism people, the fishing people and we got to see, firsthand, what happens with offshore drilling. I will tell you, the state of Louisiana with what happened with the hurricanes, all of their wetlands and estuaries are ruined. Not just by oil spills but by the piping and all the equipment - it’s a mess. And the people who represented Louisiana told us they wouldn’t want that. Yes, they get some royalties but as Vice Mayor Matthews said, it won’t go to the local governments. It’s not going to help Tampa Bay. It’s going to mess it up big time.

I move to maintain our policy as it stands on offshore drilling and secondly that we incorporate the letter that Chair Dodson has suggested, citing the concerns mentioned today. Not just saying “no,” but to say that we are concerned about what we’ve heard from the gentlemen talking about the currents and the fact that if you’ve been to Key West and done any diving there? The coral reefs are dying. The impact to our coastline, and the other issues Vice Chair Mariano raised and include those along with your suggestions Mr. Chairman. The motion was seconded by Mr. Kersteen.

Vice Chair Mariano: I would like to make the suggestion that we get this resolution ahead of time so we can look at it and make any comments.

Chair Dodson: This will be a statement of interest showing concern on behalf of the membership of the Tampa Bay Regional Planning Council which would be distributed, before sending out to the Governor, the President of the Senate, the Speaker of the House, and the local legislative delegation to this board for final review and consideration. Motion carried unanimously.

Power Point presentation(s) can be found at www.tbrpc.org/councilagendas/councilpresentations.htm

7. Council Members’ Comments
Secretary/Treasurer Collins provided an overview of the October 8, 2009 National Association of Regional Councils (NARC) Board of Directors’ Meeting.

A recap of the NARC Fall Board of Directors’ Meeting was distributed. We talked about transportation stimulus money. The Board believes that the RPCs and Councils of Government are best equipped to allocate funds so everyone benefits, both urban and rural regions. The White House right now is sending mixed messages on how they feel about this and how it should be managed. The second round of transportation stimulus money will go to capacity projects, although it isn’t expected to be released until March of 2010. A lot of the Board members expressed concern about how the first round of transportation stimulus money was utilized as most of it went towards paving and other things. There was a short window of opportunity because most of these projects had to be shovel ready so that was the reason for that. Hopefully we will have a little more time to get those second round of projects going. Ms. Collins requested Council members look at the NARC web site (www.narc.org) to see the daily snapshot of where we are on the Hill relative to transportation stimulus dollars and that might be helpful.

Vice Mayor Worthington: The City of Gulfport is hosting an Oil Drilling Summit on November 5th hosted by the Suncoast League of Cities from 6pm to 8:30pm.
Vice Mayor Worthington held up a CD of Coastal Drilling views from Florida to Texas and said if anyone wants a copy to let TBRPC staff know.

8. Program Reports
   A. Agency on Bay Management (ABM) – Chair, Mr. Robert Kersteen
      Deferred to the November regular meeting.

   B. Clearinghouse Review Committee (CRC) - No Report

   C. Local Emergency Planning Committee (LEPC) – No Report

   D. Emergency Management - No Report

   E. Legislative Committee – Chair, Mr. Julian Garcia, Jr.
      At the Legislative Committee meeting it was decided to do a letter on five basic issues in the Bill 360 which is: mediation, permit extensions, mobility fees, plan amendment process, and the DRI process. They are vague and there is some confusion as to what the intent of the legislation was. The letter will be brought to the full Council. We also decided to have a forum, like we had this morning on offshore oil drilling, about the required adoption and amendment of the local government comprehensive plan and land use plans which is Amendment 4 which is going to go to the voters. The forum will do the pros and cons and some educational materials will be distributed for your respective jurisdictions.

   F. Regional Planning Advisory Committee (RPAC) – No Report
      The brief recap of the RPAC meeting and the update on One Bay was deferred to the November 9th Council meeting.

   G. Economic Development – No Report

   H. Regional Domestic Security Task Force (RDSTF) - No Report

9. Other Council Reports - Chair Dodson
    Chair Dodson thanked the following for agreeing to serve on this year’s Nominating Committee for next year’s officers: Vice Mayor Bob Matthews, Chair; Mayor Scott Black; Mr. Robert Kersteen; Ms. Angeleah Kinsler; and Mr. Julian Garcia, Jr. The Nominating Committee will meet prior to the November Council meeting. Council members were encouraged to express their desire to serve in this three-year capacity.

10. Executive/Budget Committee Report – Chair Dodson - No Report
11. Executive Director’s Report - No Report

12. Chair’s Report
At the last meeting the Council unanimously agreed to send a Letter of Interest to the National Association of Regional Councils’ Policy Board which indicated our interest in hosting the 2012 National Conference. Ms. Collins presented the letter this past week to the Board and it was accepted and approved for Tampa Bay to be the Host in 2012.

The next step is to go before individual member governments with a Resolution of Support. Inside your folders you will find a draft resolution which has been tailored to your municipality or county. We set up a sponsorship tier based on the populations of the various municipalities and counties in order to reach the Hosts responsibility of raising $60,000. The amount of sponsorship that we are seeking from your municipality or county is in the body of your resolution. We are seeking the commitment to assist in raising these dollars before we make a formal proposal to the NARC organization this coming February.

We are requesting that our member governments pass the resolutions prior to December 18, 2009. The Resolutions of Support will allow us to move forward with this great opportunity.

Next meeting, November 9, 2009 at 10:00 a.m.

Adjournment: 12:00 p.m.

William Dodson, Chair

Lori Denman, Recording Secretary