

**MINUTES OF THE  
SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL  
FEBRUARY 16, 2012 MEETING**

The meeting of the Southwest Florida Regional Planning Council was held on February 16, 2012 at the offices of the Southwest Florida Regional Planning Council - 1<sup>st</sup> Floor Conference Room at 1926 Victoria Avenue in Fort Myers, Florida. Chair Karson Turner called the meeting to order at 9:05 a.m. and then led an invocation and the Pledge of Allegiance. Administrative Specialist II Nichole Gwinnett conducted the roll call.

**MEMBERS PRESENT**

Charlotte County: Commissioner Chris Constance, Commissioner Tricia Duffy, Councilwoman Rachel Keesling, Mr. Michael Grant

Collier County: Commissioner Jim Coletta, Councilwoman Teresa Heitmann, Mr. Bob Mulhere

Glades County: Mr. Thomas Perry

Hendry County: Commissioner Karson Turner, Commissioner Al Perry

Lee County: Commissioner Ray Judah, Commissioner Frank Mann, Councilman Forrest Banks, Vice Mayor Mick Denham, Ms. Laura Holquist

Sarasota County: Commissioner Christine Robinson, Commissioner Carolyn Mason, Commissioner Tom Jones, Councilman Kit McKeon, Commissioner Willie Shaw, Mr. Felipe Colón

Ex-Officio Members: Mr. Johnny Limbaugh - FDOT, Mr. Phil Flood - SFWMD, Mr. Jon Iglehart - FDEP, Ms. Terri Behling - SWFWMD

**MEMBERS ABSENT**

Charlotte County: None

Collier County: Commissioner Donna Fiala, Mr. Alan Reynolds

Glades County: Commissioner Kenneth "Butch" Jones, Commissioner Paul Beck, Councilwoman Pat Lucas

Hendry County: Commissioner Daniel Akin, Commissioner Joseph Miller, Mr. Melvin Karau

Lee County: Mayor John Sullivan, Councilwoman Martha Simons, Councilman Joe Kosinski, Mr. Paul Pass

Sarasota County: None

Ex-Officio Membership: None

## **PUBLIC COMMENTS**

Commissioner Judah stated that under “point of order” that the Lee County Attorney’s Office has noted that any commissioner that participated on a conference call for a board meeting, they were not allowed to vote for that meeting. He then asked if it is the same for the RPC members who are calling into the RPC board meeting and if so, why is the RPC different from Lee County. Legal Counsel Donley explained that it is different in the statutes. The RPC is not an elected board but an appointed board, so that part of the Sunshine Statute and Constitutional Law does not apply. So RPCs can have participation by media by which parties can hear each other and they can count towards the quorum and vote.

Commissioner Turner noted that if the board wishes to allow the board members who are participating on the conference call to vote, the board can take a vote at the time of the meeting and grant those members voting rights.

Commissioner Turner noted that there were two public comment cards submitted, but only one under Public Comments.

Mr. Dan DeLisi stated that he wanted to address an issue which had been addressed at the last meeting on the consent agenda. The issue is how the Council is moving forward on making up for some of the deficits that may be projected. One of the ideas that came forth and generated some discussion was that of providing technical assistance to other local governments. He then suggested that the Council be careful in how they approach that. He stated that he is all for the Council providing technical assistance to local governments that can’t afford planning services, but that is not going to make up a deficit reduction. What makes up a deficit reduction is actually getting subsidized money in for services and to him that is consulting. Providing and becoming a consulting firm, that is a public agency competing with the private sector. He then referred to Mr. Grant’s comments in the discussion and stated that he agrees with Mr. Grant’s comments in that the Council needs to be very careful in competing with the private sector. If that is the direction that the Council wants to go in, he would encourage the Council to have a more open dialog.

Mr. DeLisi then stated that his second comment is that he has heard a lot about how the Council wants to move forward and revision itself, do a self evaluation of what the Council should be. He then said that he would encourage the Council to look back at what the RPCs are supposed to be. He stated that he is a land use planner by trade, a planning consultant and he is a strong believer in regional planning. The question is how this organization can do it better. He has heard a lot of discussion about being an economic development organization or something of that nature. He suggested holding public workshops on what the community would like to see the RPC do. He stated that this RPC may not be the most effective organization in promoting economic development, but it will be the most effective in promoting regional planning.

## AGENDA

Commissioner Tom Jones moved and Commissioner Duffy seconded to approve the revised agenda as presented. The motion carried unanimously.

### AGENDA ITEM #6

#### Minutes of the January 19, 2012 Meeting

Commissioner Tom Jones moved and Mr. Grant seconded to approve the minutes of the January 19, 2012 Meeting. The motion carried unanimously.

### AGENDA ITEM #7

#### DIRECTOR'S COMMENTS

Ms. Wuerstle explained that the main problem that she sees is that people do not know what we do here at the Council. Staff is going to start providing the Council with a two slide presentation at each of the Council meetings, in order to give an update on the grants that are currently being worked on and some of the other important projects. Next month staff will be working on the website and asking the members for assistance on how it should be changed.

Ms. Wuerstle then gave an update on the budget. It appears that we have the potential to just break even this year and have a small surplus of approximately \$2-4,000. This is only if there are no unforeseen challenges that come up. We had to take the operating reserve down to zero because of DRI work that we do not anticipate to come in, grants that we have not received and the MPO moving out. The auditors recommend that we have six months of operating capital in the reserves, which would be \$900,000. Staff has requested to reduce it down to four months, so that we don't get written up with our audits which we would need \$680,000 in reserves. Because we ran a deficit last year and had to take \$160,000 out of the reserves, the balance is currently \$519,000, which is well below the recommended level. We need to be very peril about how the Council spends its money, so staff is working on a number of items trying to bring a number of items in. We are certainly looking at all of the grants that are available to us and trying to put together projects that would be successful. If the money remains in the Governor's budget for the RPCs, then we will be alright. Now that the Lee County MPO has moved out, staff is looking at options of renting out space by consolidating staff offices.

Ms. Wuerstle noted that staff is currently in the process of updating its policies and procedures and develop some standard operating procedures. There seems to be some issues in equity, fairness and consistency and staff and her are working together to address those issues. She stated that she will be bringing additional issues to the March meeting.

Commissioner Judah noted that at the last Lee County MPO meeting there was a discussion on the MPO possibly purchasing some software for modeling programs and its members suggested contracting out with the Council because the Council already has the software needed. He then asked Ms. Wuerstle if anyone from the MPO's staff has contacted her in regards to that discussion. Ms. Wuerstle replied yes, she met with Mr. Don Scott, Lee County MPO Director and he is currently in the process of conducting the research to determine the fees and Council

staff did provide that information to him yesterday. She also noted that both she and Ms. Donley had met with the City of Sanibel to discuss the possibility of doing additional work for them.

**AGENDA ITEM #8(a)**  
**January 19, 2012 SWFRPC Meeting Executive Summary**

As presented in the agenda packet.

**AGENDA ITEM #8(b)**  
**February Staff Activity Summary**

As presented in the agenda packet.

**AGENDA ITEM #9**  
**CONSENT AGENDA**

Commissioner Mann pulled Agenda Item #9(d) Babcock Ranch DRI - Master Development Order Amendment Review for discussion purposes.

Commissioner Mann moved and Commissioner Judah seconded to recommend approval of the balance of the consent agenda: Agenda Item #9(a) Intergovernmental Coordination and Review; Agenda Item #9(b) Financial Statement for January 31, 2012; Agenda Item #9(c) Fountains DRI - Sufficiency Extension; Agenda Item #9(e) Palmer Ranch Increment 20 - Questionnaire Checklist; Agenda Item #9(f) City of Sanibel Comprehensive Plan Amendment (DEO 12-1ESR); and Agenda Item #9(g) Miromar Lakes DRI - Notice of Proposed Change.

Commissioner Constance referred to page 58 of the Financial Statement for January 31, 2012. He asked for clarification under expenses for the MPO's \$262,000 and asked if it had anything to do with the fact that the MPO was occupying the building and now they are not occupying the building. Or is this money that the Council funds the MPO with. Ms. Yell of staff explained that the \$262,000 is the actual amount that the MPO spent while they were still with the Council and the Council will be reimbursed from FDOT for that amount. The Council did front the money, but it will be reimbursed. Commissioner Constance stated so that "piece of the pie" will go away. Ms. Yell replied yes, she left it there for information purposes only.

Ms. Wuerstle explained that the difference in the budgeted amount for the MPO is \$947,000 and the Council will receive \$224,000 less in indirect fees due to the MPO moving out and the Council had to also pay out \$22,000 in unused leave. Staff has backed all of that out and ran the conservative figures and hopefully we will still be able to break even.

The motion carried unanimously.

**AGENDA ITEM #9(d)**  
**Babcock Ranch DRI – Master Development Order Amendment Review**

Commissioner Mann expressed his concerns about the impacts that the Babcock Community will have on Lee County. He then asked to hear from the developer's representative on how they are prepared to absorb that expense and what the obligations have been so far and what is expected to be in the future.

Mr. Steve Leung with David Plummer and Associates, who is the traffic consultant with Kitson and Babcock stated that the Babcock Ranch Community sits within the four corners of Lee, Charlotte, DeSoto and Hendry Counties and the item before the Council is the Master Traffic Study Update. It is the long range look at 2035 of the Babcock DRI. The DRI is under the Master Incremental Review Process, which means that every increment comes is going to go before the Council.

Mr. Limbaugh gave an overview of the current PD&E Study. He noted that the first public meeting was held and originally the PD&E Study was for CR78 up to SR78 and at the request of FHWA the PD&E Study was extended from SR78 to SR80, so that part was added to what Babcock had initially agreed to. FDOT has an agreement with Babcock that they will provide the \$1 million for the PD&E Study and also how and when they would make the deposits to FDOT for right-of-way acquisition and whether the design work will be completed by Babcock or they will provide funding to FDOT for the design work that will be required. Everything in Increment I from the PD&E Study through construction is basically laid out in the agreement which FDOT has with Babcock which shows that the funding is coming from Babcock.

Commissioner Mann asked for clarification on what the \$8.9 million is covering. Mr. Leung explained that the \$8.9 million is basically the commitment that Babcock has made to the buildout of Phase One. Currently, there is no development onsite and not one trip on the roads, but have committed the \$1 million to the SR 31 PD&E Study. As the increment develops and will be generating traffic and putting traffic on the road(s), those mitigation, including the intersection improvements in both Charlotte and Lee Counties will be monitored and looked at to the point where if improvements are needed, Babcock will be held accountable and will contribute to those improvements (i.e., providing for turn lanes at intersections, widening SR31 from two to four lanes) and all of this will take place subsequent with the buildout of Phase One of Increment I. The costs are estimates at this point, so whether the impacts and mitigation is going to fluctuate throughout the years, the good thing about the Master Increment DRI process is that every increment you have to look at the prior increment and do a cumulative traffic study so that if the prior increment was underestimated in terms of impacts and mitigation or overestimated that there is opportunity to review it again for each subsequent increment. It will come back to the Council and the Council will need to agree on the proposed mitigation. The current mitigation has been looked at in depth from Charlotte County, Lee County, SWFRPC, FDOT and DEO. We are currently in the six year of the Master Incremental process.

Commissioner Mann stated that the single largest component of the PD&E Study on SR31 is the Wilson Pigott Bridge. There are improvements to be to the bridge, whether it be four or six laned and asked where that cost obligation comes in and what triggers it and how is the prorated share to the development versus the normal, which has been fairly insignificant in that part of the county prior to this development. Mr. Leung explained that this is a result of the Master Traffic Study

update along with the PD&E Study which established that the Wilson Pigott Bridge would be four lanes divided and will not go beyond four lanes and then there will be six lane sections of SR31 and it will not go anywhere beyond six lanes. The Master Traffic Update is for exceeding no more than six lanes on SR31.

Commissioner Mann asked Mr. Limbaugh how does FDOT see the costs falling out based on existing growth trends and additional impact of the Babcock project on the Wilson Pigott Bridge. Mr. Limbaugh stated that it is going to be a partnership. The bridge has a certain useable life span and a couple of years ago FDOT conducted a \$5 million rehab of the bridge in order to extend its life. It really depends on how the Babcock project progresses, the timeframe and the useable life of the bridge. Ultimately, he sees it as being a partnership opportunity between FDOT and the developer to replace an aging structure and the growth demand as Babcock grows.

Commissioner Duffy stated that based on the information that is being presented today and other traffic impact studies that the Council has heard before, Commissioner Mann has certainly made it clear that he has some major concerns with this project. She stated that Commissioner Mann has made the statement in the past that the Babcock project would require a "ten lane super highway" and she then asked if there is anything which is being presented today indicating something of that magnitude. Mr. Leung replied no. Along with the Master Traffic Study and the SR31 PD&E Study has established that no more than six lanes would be needed on SR31.

Commissioner Duffy asked Mr. Leung in his opinion is Babcock doing everything they can to be responsible for any impacts that they may be making to the adjacent communities, counties, neighborhoods, etc. transportation wise. Mr. Leung replied yes, we are heading into a six year process and there are no unilateral decisions being made and it is all being looked at by multiple counties, including Lee County.

**Mr. Grant moved and Councilwoman Heitmann seconded to accept the development order as rendered.**

Councilman Banks noted that the City of Fort Myers sees the Babcock Community good for the city because the professionals are from the City of Fort Myers; many of the workers will come from the city, and for a long time the City of Fort Myers will provide both the commercial and cultural needs for that area. So from a city standpoint he will support it, but on the other hand it is a classic example of a DRI, because for a long time the Babcock development will be a satellite city around the City of Fort Myers, not the City of Punta Gorda.

Commissioner Duffy stated that she agrees with Councilman Banks and that the project is located very close to the City of Fort Myers, but it has been there for many years and it is also where Kitson and Partners has chosen to build this wonderful development. There is another authority besides the Council monitoring and assessing this development and that is the Charlotte County government. As much as we embrace the whole development of Babcock Ranch, we are not irresponsible. She stated that Charlotte County will be diligent in making sure that everything has been promised will occur.

Commissioner Mann stated that there was discussions in the past about an east-west corridor, which would relieve some of the pressure on SR31, but even with the 18 mile east-west corridor

the people are still going to go to the Publix at the intersection of SR30 and SR80 which will not relieve the impacts. He then thanked Mr. Leung for his input and felt that it was a healthy discussion and looks forward to the next discussion.

Commissioner Constance stated that within the plan there were plans for improving Del Prado with an interchange and asked if there any plans for a more northern interchange. Mr. Leung replied that they are working with both MPOs as an alternative to the east-west corridor and the alternate connection to the new interchange whether it will be at Del Prado Boulevard or somewhere north. An IJR would have to be done by FDOT to establish the exact location, so these are part of the planning process that we are working towards and that is the purpose of the Master Traffic Study Update.

Commissioner Constance stated that for clarification that this plan is influx and that the plan will be re-evaluated over time and things will change. Mr. Leung replied yes.

**The motion carried unanimously.**

#### **AGENDA ITEM #10(a)1 Regional Strategy Committee**

Mr. Grant gave the Regional Strategy Committee report.

Vice Mayor Denham stated that it wasn't clear to him on who was going to be doing that actual inviting. Mr. Grant explained that the Florida Department of Economic Opportunity (DEO) will be sending out formal invitations.

Commissioner Judah stated that the Council has always had a Strategic Regional Policy Plan (SRPP) which has an economic development element and all of the cities and counties have economic development offices. Lee County does quite well in attracting businesses to the area and work closely with our neighbors so that we are not fighting amongst ourselves in any recruitment effort. He then said that he was wondering if the Council was going astray with what the original mission was for the Council and why all of a sudden the Council is seemingly veering off course from what has been the mission of the Council for decades. He asked for clarification on how this effort differs from what is being proposed at the six pillars approach.

Chair Turner stated that he would like to have Ms. Holquist explain the process since she has been with the process from the beginning and then he would like to have Ms. Wuerstle have a chance to reply and if Ms. Wuerstle deems that it is necessary to hear from planning staff.

Ms. Holquist explained that last Fall the Council's Strategy Committee conducted a lot research about what it is that the Council is supposed to be doing based on their statutory requirements. At the same time, at the State level there was a legislative mandate to create a Statewide Economic Development Plan that will then filter down into the regions, cities and counties. This change happened within the last year and so what the State has gone forward and requiring is the Regional Policy Plan now follows the six pillars approach, which was created by the Florida Chamber Foundation. The uniqueness of the six pillars approach and what the State is now requiring for the regions going forward and all of the leaders having to adopt the six pillars is that the plans have to

be accountable. So the areas within the six pillars you have to come up with strategies and goals that are then going to be tracked with score cards. It is not just meant to incorporate economic development professionals, but everyone from every walk of life.

Ms. Wuerstle explained that the Strategic Regional Policy Plan (SRPP), where there is a component which is called the CEDS which is in the process of being updated. The forum is something that is being required for the Council to do and it is being called an Economic Development Plan and from what she can see it involves much more than economic development. She believes that it can be used in the SRPP.

Ms. Jennifer Pellechio of staff explained the Comprehensive Economic Development Strategy (CEDS) which is a plan that is done at the Council. The idea is that the State's plan which is being prepared by DEO would identify the top level issues and then the regional leaders identified would then take that information and put it into our regional plan. The idea is that the regional and state plans work together, say the same message and collaborating in the same way.

Commissioner Judah stated that he is all for collaboration, but what is his greatest concern for the Council is that it appeared that there was already a structure in place and he wants to make sure that we are not veering off from the Council's mission which the Council has a heard to all of these years of proper planning.

Commissioner Turner stated that the Council's mission never really got tweaked about this process. What did occur is the Council performed a self evaluation and determined where our emphasis needs to be, where our resources are currently being devoted to, what our revenue streams are that are devoted to those resources, and how we are getting a deliverable at the end of the day. Through that process the Council felt that there needed to be some tweaking done and there was a lot of energy put behind that effort of reinventing ourselves.

Commissioner Tom Jones explained that the reason the Council is doing this is because we were asked to do this by the State of Florida. The Council has been asked by the State of Florida to help them develop their five year Economic Development Strategic Plan and as it goes out into the community it reinforces the Council to our communities and members in the development of this plan.

Vice Mayor Denham stated that by doing this effort and having the RPCs across the state involved in the process, he feels that it would have helped both the Governor and the legislature that funding is required for the RPCs to do this sort of an effort. If we were to say no to this, he feels that our days would be numbered relative to funding. If we say yes, he feels that it is another positive statement that we are part of the future planning of the State and so therefore, it is very important for us to say yes to this event even though it is going to stretch us both staff and expense.

Ms. Holquist noted that Southwest Florida is the only populous region within the State that does not have a community driven and supported strategic plan. We are currently six years behind the other regions within the State and we need to catch up. Another point is that the House Budget which is currently undergoing its approval process includes money for the RPCs, specifically for strategic regional planning. So the State recognizes that we don't have that at the State level and they also recognize that the regions need funding for their regional strategic plans.



**AGENDA ITEM #10(a)2**  
**Regional Watersheds Committee**

Vice Mayor Denham gave a status update on the fertilizer pre-emption bill (SB604 and HB421) which were both defeated.

Commissioner Judah stated that he would highly recommend those communities which do not have a fertilizer ordinance that they highly consider adopting and implementing a fertilizer ordinance as soon as they possibly can because this issue is going to come back in the next legislative session.

Commissioner Constance urged the City of Punta Gorda to pass a fertilizer ordinance and any other community who doesn't have one because this is a battle that we have to win. He feels that it is very important to adopt a strategy with FGCU to put together an educational packet and start educating all of the House and Senate members now.

Vice Mayor Denham stated that we not only have to fight it through the legislation, but also through public relations and education throughout the region.

Councilwoman Heitmann stated that for those communities who do have a fertilizer ordinance this is an opportunity to strengthen them.

Commissioner Judah stated that clearly we need to take the public education approach. He then turned to the issue of the legislature possibly repealing the septic tank law which provides for inspection, evaluation and lets the Health Department determine whether or not a septic tank needs to be replaced or fixed. He feels that is reasonable if we are serious about protecting our watersheds and preventing over pollution of our waterways, restoring our impaired water bodies then we need to send a message to our State legislature, specifically to Representative Aubuchon, to request that they not repeal the septic tank legislative which was approved a couple of years ago.

**Commissioner Judah moved and Vice Mayor Denham seconded to send a letter to Representative Aubuchon asking not to repeal the septic tank legislation (HB999 ).**

Commissioner Tom Jones noted that there is a lot more to the septic tank legislation than what Commissioner Judah had mentioned, included in the revision of the legislation allows communities to opt in and allows them to do what is right for their community. The original legislation was meant to protect municipalities and counties with magnitude of natural springs and that is good legislation. All those springs had septic systems put in place many years ago and may very well be faulty. Within the City of North Port two-thirds of the households are on septic systems and approximately 75% of the septic systems were installed since 1985. The significance of that is that since 1985, all septic systems are required to be designed by a professional engineer and installed under the supervision of the county health department. The revision being considered, the City of North Port has worked very hard to have these revisions to this legislation put in place because it is right for our community. If your community wants to have that legislation put in then you can opt in, but the City of North Port wants to opt out. He then stated that he

would encourage the Council not to get involved in this type of political discussion because it is really not part of our mission.

Commissioner Turner stated that he agrees with Commissioner Jones because 100% of his constituents are on septic. The language that he visited with when he was up in Tallahassee, he has seen a tweak to the bill and he felt that it was dealing with an area that was different from what he was into.

Commissioner Coletta stated that he agrees with what was stated that he agrees with both Commissioner Jones and Commissioner Turner, but he does feel that it is an item that should be discussed at the Council because it does apply to some areas which the Council deals with. He then noted that he represents eastern Collier County where the majority of the residents are on septic systems. This issue is as old as Collier County and a couple of times Collier County was challenged about polluting Naples Bay. The public health department checked the water going into Naples Bay from eastern Collier County and the results showed that the water was nitrogen deficit. The only thing that was going into Naples Bay was fresh water and it was too much of it and that was the whole problem. The public health department couldn't find one instance of a problem from the septic systems throughout the vast area of Golden Gate Estates and the agricultural lands. He does believe that there is a problem close to it because there were some problems in Everglades City and Plantation Island, since some of the septic system there are really old. Communities need to be able to opt out where it is not necessary due to the expense.

Commissioner Judah clarified that the septic tank legislation calls for inspection and evaluation, not the removal of septic tanks. If those statements are true that there isn't any contamination of the water supplies and water resources, then he is sure that the inspection will demonstrate that the septic tank is working properly. The whole idea behind the inspection and evaluation is to prevent the failure of a septic system.

Commissioner Coletta stated that this issue does not apply to Collier County because its water drains to the west through the county and is contained within the county. Collier County has its own water management system called the Big Cypress Basin which is specific to the drainage system that we deal with, so Collier County doesn't need another regulation or expense unless somebody can prove that there is an issue.

**The motion failed.**

**AGENDA ITEM #10(a)3**  
**Estero Bay Agency on Bay Management**

Mr. Beever of staff reviewed the item as presented.

**AGENDA ITEM #10(b)**  
**FPL White Paper (Early Cost Recovery)**

Mr. Crawford of staff reviewed the item as presented.

Ms. Charlotte Miller, Florida Power and Light (FPL) External Affairs Manager for Southwest Florida introduced Rae Dowling her counterpart for the region's northern part, including Sarasota and also Mr. Steve Scroggs, FPL's Senior Director of Nuclear Project Development.

Mr. Scroggs explained the nuclear cost recovery process and benefits. He then explained why during 2006, both the Senate and House found nuclear to be worthy of this consideration and why FPL has gone ahead with plans to increase the capacity of existing nuclear facilities, as well as to undertake the licensing of a new facility. It really boils down to the unique nature and long timeframe of licensing and upgrade of these nuclear facilities. Unfortunately, it is being presented to you as early cost recovery is a bit of a misnomer. It is actually a very small percentage of the overall costs that is recovered contemporaneously with its expenditure. The remainder is funded as per normal rate funding capital investments on a utility.

Mr. Scroggs stated that nuclear is an emotional issue and FPL receives a lot of feedback, its lengthy review process is about letting that dialog fully and comprehensively be undertaken prior to moving on to new nuclear projects. The false choice being offered is that we can do all this with conservation or renewable. We know as your energy experts, in order to get to the cleaner economy that we see in the future, we are going to need all of the tools that we can bring forward, including nuclear and solar and wind if it can be made to work in Florida.

Mr. Thomas Perry stated that the previous document stated it would cost \$60 per month. He asked Mr. Scroggs if that is a figure that he agrees with. Mr. Scroggs explained that document was speaking on progress energy and the progress Levy County project up in Levy County and is not accurate for FPL. FPL has a lot larger customer base (4.5 million customers), so the impact to FPL's customers is significantly lower than the impact that is being projected on the progress project.

Mr. Thomas Perry stated that the paper which he is looking at states that it is \$2.20. Mr. Scroggs explained that is for 2012 and about 90% of the \$2.20 is going to the upgrade projects that will be online by 2013. The biggest portion of the impact that is coming to customers in the 2012 Bill will be brought to fruition within the next two years.

Commissioner Shaw stated that with the upgrades of the two reactors, presently FPL is responsible for 20% of Florida's energy generation. How much will we see in an increase with the upgrades? Mr. Scroggs explained that FPL is responsible for approximately 50% of Florida's energy. The 20% is attributed to nuclear generation. With the increase of the new upgrades, FPL is adding 400 megawatts to approximately 3,000 megawatts of existing generation, so it equals to approximately 10% more nuclear generation through these upgrades.

Commissioner Judah asked Mr. Scroggs if FPL had submitted a rate filing with the PSC on what the ultimate rate cost to the rate payers would be on the construction on the two new nuclear reactors at Turkey Point and Miami. Mr. Scroggs replied yes, as part of FPL's 2008 Needs Determination the PSC granted a Need Order in April 2008 and part of that, FPL estimated what the first year's impacts would be. Commissioner Judah asked what those rates would be. Mr. Scroggs replied that he would have to look at them directly, but on the order of attributed specifically to the plants it probably would be \$18-20 per month. He noted that \$18 billion is the high end of this project. What people may misunderstand is that you are asking two questions.

What is the impact to the customers because of this specific capital project, then that is the answer. What is the impact to the customer's bill holistically? This project has been approved because it is cost effective and better than a project of 2,200 megawatts of natural gas. The cost of natural gas will be higher in the future. We are projected to save customers \$75 billion in avoided natural gas prices over the 40 years of this nuclear project.

Commissioner Judah asked Mr. Scroggs if FPL is taking into account the appropriate measures of proper disposal of the spent nuclear rods. Mr. Scroggs replied in three ways:

1. For every ounce of fuel that the company buys nuclear fuel, FPL pays into and continues to pay into a federal fund for the ultimate disposition.
2. We design in storage for up to 12 years for within the facility itself.
3. We know that based on history, the federal government hasn't moved real fast sometimes on this long term solution of fuel storage.

Mr. Scroggs explained that the interim solution (100 to 200 years) is dry cast storage, so the economics associated with this new project we built into the cost of building interim storage in the event that the federal government doesn't take the long term storage action within the required amount of time.

Commissioner Constance referred to the early cost recovery fees and asked if there is a cap with a certain percentage. Mr. Scroggs explained that there is no cap in the legislation, but the legislation empowered the PSC to do it through a cost recovery clause. The clause is reviewed every year.

Commissioner Duffy stated that she wishes that we were discussing solar power instead of nuclear power. She doesn't understand why the legislature would allow cost recovery for nuclear power and not solar. Mr. Scroggs stated that he agrees with Commissioner Duffy, FPL has 25 megawatts out in Arcadia and 50 megawatts of additional expansion in DeSoto County. FPL has been in discussions with Kitson and Partners for the Babcock Community.

Commissioner Duffy stated that Senator Bennett who is favor of the solar power plants has stated that he can't have people up in the panhandle pay rate recovery fees for a plant that is down in Southwest Florida. She doesn't see the difference with this issue. Mr. Scroggs explained that from a system basis, FPL looks portfolio diversity as being very important and currently 2/3rds of your energy, whether you live in Fort Myers or Jacksonville, comes from natural gas. FPL wants to try to balance out that portfolio with zero greenhouse gas emitting resources like solar and nuclear.

**Mr. Grant moved and Commissioner Duffy seconded to take no action on the legislation of early cost recovery.**

Mr. Tom Larson, Florida Energy Policy Manager of Southern Alliance for Clean Energy stated that he supports Commissioner Judah's views. He stated that we are dealing with costs, risks, financing, safety and security. Nuclear power is potentially one of the additions to the portfolio, but he supports Commissioner Duffy's suggestion of looking at renewable energy, even before that energy efficiency. Energy efficiency is the lowest cost alternative and is the supply option that needs to be given equitable standing compared to building a new power plant. We basically waste 30% of the power that we buy because through our economy in many different ways we don't have

in place the energy efficiency potential that we should. The technical opportunity is there, the economic opportunity is there and they have not been developed appropriately in Florida.

Commissioner Judah asked if the legislation solely speaks to the early cost recovery only for nuclear power or for any energy facilities. Mr. Larson replied that this is an unusual situation. In 2006, early cost recovery was only allowed for nuclear power plants, so this one technology was identified as eligible for this special treatment at the PSC for application of rate additions for Florida electricity consumers. No other power plants have this potential, whether it is renewable energy or natural gas. Those have to go through the base rate or fuel cost consideration cycles at PSC.

Mr. Jerry Paul a nuclear engineer from Englewood explained that nuclear energy is the cheapest form of based load electricity generation in the United States. This is why we want part of the portfolio, it is 73% of America's carbon free energy generation, 20% of America's electricity, and it is the cheapest form of base load energy. He stated that he supports both solar and nuclear, they are both emission free forms. One happens to come from a reactor that is several billion miles away and the other comes from a reactor that is a few hundred miles away. They are both nuclear power, they both have radiation, and they both have great promise. The beauty of nuclear power is that you can run it 24 hours a day at seven days a week for approximately 4 ½ years on one piece of fuel. This is why it becomes the cheapest form.

Mr. Paul stated that people who are against nuclear power will use inflammatory numbers based upon the cost to construct the plant and it is true that the construction costs for a nuclear power plant is by far greater than any other type of plant, but the operating costs by far is the least. Because you are running a nuclear power plant around the clock year after year with 90% capacity factor where cheaper operating cost catches up to the construction cost. He explained that it costs approximately \$0.03 per kilowatt hour for nuclear power. For coal it costs approximately \$0.0350 per kilowatt hour. Natural gas it costs \$0.06 - \$0.07 per kilowatt hour. For solar, depending on the type of solar, it ranges from \$0.20 up to \$0.60 per kilowatt hour. With solar power we are only able to access during a certain portion of the day because we don't have the ability to store it efficiently.

Mr. Paul stated that he supports Mr. Grant's motion or suggests that the Council supports the early cost recovery because it really is "pay as you go".

Commissioner Judah stated that the reason that he brought this to the Council is because he believes that it is a regional issue. Whether it is the water that is used to cool the reactors which Florida is seeing a decline in its precious water supplies, whether it is the cost to the rate payers, whether it is the potential impact of radioactive waste getting out into our environment and contaminating our air, water and food supply. He then said that this is an incremental rate increase and the majority of it will go towards the upgrades and he doesn't have a problem with that. He then noted that when he attended the Energy Summit held by Adam Putnam in Orlando and everyone was saying that we should let the free market place dictate how we are going to become more energy independent. What we find this due to legislative approval and PSC approval, they are determining what energy source we ought to be moving forward with and that is nuclear power. It is the only facility where early cost recovery is allowed. If nuclear power is so cheap then the utility shareholders and the investors would end up paying costs to bring nuclear power online.

They will not absorb the risks and that is why it is being placed on the backs of all of the rate payers.

Mr. Grant stated that he is impressed with Commissioner Judah's passion on the issue; however, he respectfully disagrees with him on one issue and that is that the rate payers are somehow being disadvantaged by early cost recovery. The system under which we pay for electricity is somehow a free market, it is not. That is why we have a PSC. If it was a free market for energy in Florida and most other states, there probably would more nuclear power plants in Florida because it would be cheaper. The reason that we have a PSC is because we have a monopoly basically across the state and across most states for power generation.

**Councilman Banks called to question. The motion carried unanimously.**

**The motion carried with three opposed.**

Mr. Paul noted that nuclear power is not the only one with advanced cost recovery that IGCC intergraded combined gas cycle plants also have the same treatment.

**AGENDA ITEM #10(c)**

**Tampa Bay & East Central RPCs 50<sup>th</sup> Anniversary Resolutions**

Councilman Banks moved and Commissioner Mann seconded to approve SWFRPC Resolution #2012-01 - A Resolution of the Southwest Florida Regional Planning Council Recognizing the 50<sup>th</sup> Anniversary of the Tampa Bay Regional Planning Council and Resolution #2012-02 - A Resolution of the Southwest Florida Regional Planning Council Recognizing the 50<sup>th</sup> Anniversary of the East Central Florida Regional Planning Council. The motion carried unanimously.

**AGENDA ITEM #10(d)**

**Economic Development Activities Update**

Ms. Pellechio of staff gave a PowerPoint presentation.

Mr. Grant moved and Mr. Mulhere seconded to approve SWFRPC Resolution 2012-03 A Resolution in Support of the Southwest Florida Regional Planning Council's Department of Labor Workforce Innovation Fund Grant Application. The motion carried unanimously.

**AGENDA ITEM #10(e)**

**Legislative Issues Update**

Ms. Donley reviewed the item as presented and in distributed handout.

Commissioner Judah moved and Commissioner Coletta seconded to send a letter to the Speaker of the House, President of the Senate and Committee Members to oppose any new oil well drilling on public or state lands even if it is in the Panhandle.

Mr. Grant stated that he doesn't feel that the Council is the appropriate venue for those types of recommendations, because his overall concern is that this Council is going to be sending letters to the legislature about issues in the long term where they may say that is none of your business where issues that go on in the Panhandle doesn't concern you in Southwest Florida. What he doesn't want to see happen is this Council or any other RPC will get penalized because we are taking "pot shots" at the legislature.

Commissioner Judah stated that he does see this issue as a regional issue because water doesn't know any boundaries, with the potential to impact water supplies is of great magnitude to Southwest Florida even if the bulk of the oil well drilling is being done in the Panhandle.

Commissioner Coletta stated that he is in support of Commissioner Judah's motion because he doesn't feel that it is appropriate at this point in time to use up the last of our energy source when we still get cheap fuel. We are going to burn everything up, just like they killed all of the red woods and whales until all of the resources were totally gone. Save something for the next generation, oil is going to be an important commodity.

The motion failed with an 8 to 13 vote.

Ms. Donley continued with her legislative update.

Mr. Grant asked if we would have staff draft letters which the Council may oppose. If the Council's budget is that tight he would not be in support of such a task. Ms. Donley stated that another option is to have the information posted online and send the links to everyone.

#### **AGENDA ITEM #11 STATE AGENCIES COMMENTS/REPORTS**

FDOT - Mr. Limbaugh announced that the intersection of SR80 and SR27 will be closed twice on February 21<sup>st</sup>, once at 9:00 a.m. for approximately 30 minutes and then again at 11:00 a.m. for 30 minutes so the contractor can take down the overhead sign in that location.

#### **AGENDA ITEM #12 COUNCIL ATTORNEY'S COMMENTS**

Legal Counsel Donley had no comments at this time.

#### **AGENDA ITEM #13 COUNCIL MEMBERS' COMMENTS**


Commissioner Coletta announced that he had a very successful time up in Tallahassee a couple of weeks ago. One of the issues which he concentrated on was the I-75 Interchange, when they originally prepared to put in the temporary interchange at Everglades for the restoration of the Everglades they had planned to take it out. It had came to an understanding that they weren't going to take it out, but it had never been memorialized and everyone was in agreement to get this memorialized even if they never put in a permit for an interchange there would be an emergency interchange for people to have access. Another thing was that they still had the language in there

that when the restoration was completed that they were going to remove the acceleration and deceleration lanes. Which made no sense, why would you have an emergency interchange to move people out of the area in an emergency and then take away the acceleration and deceleration lanes. He announced that on March 1<sup>st</sup> FDOT will be holding a public meeting at the Comfort Inn at Tollgate Plaza regarding the Cumulative Effect Study

Councilwoman Heitmann announced that she won her re-election.

**AGENDA ITEM #14  
ADJOURN**

The meeting adjourned at 11:35 a.m.

  
\_\_\_\_\_  
Commissioner Tom Jones, Secretary

The meeting was duly advertised in the February 3, 2012 issue of the FLORIDA ADMINISTRATIVE WEEKLY, Volume 38, Number 05.



REQUEST FOR PLACEMENT ON AGENDA  
OF THE

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL

Name:

Dan Delisi

(Please Print)

Organization (if any):

Delisi Fitzgerald

Address:

1605 Hendry St.

Agenda Item Number:

Public comment

Amount of Time Requesting:

Signature

Date

REQUEST FOR PLACEMENT ON AGENDA  
OF THE

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL

Name:

Charlotte Miller / Steve Scroggs  
(Please Print)

Organization (if any):

FRL

Address:

1813 Lee St.

# Myers, FL 33901

Agenda Item Number:

10B

Amount of Time Requesting:

5-10 min

Signature

Charlotte Miller

Date

2/16/2012



REQUEST FOR PLACEMENT ON AGENDA  
OF THE  
SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL

Name:

TOM LARSON

(Please Print)

Organization (if any):

Southern Alliance for Clean Energy

Address:

1348 Beach Blvd, #50451  
Jacksonville FL 32250

Agenda Item Number:

106

Amount of Time Requesting:

35 min.

Signature

T. Larson

Date

2/16/12

REQUEST FOR PLACEMENT ON AGENDA  
OF THE

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL

Name:

JERRY PAUL (JERRY PAUL)  
(Please Print)

Organization (if any):

Address:

Agenda Item Number:

10B - NUCLEAR ENERGY WHITE PAPER

Amount of Time Requesting:

↓  
COST  
RECOVERY

Signature

*[Handwritten Signature]*

Date

2/16/11



### **Background – Jerry Paul**

Jerry Paul is a nuclear engineer, attorney and former elected State Representative serving Florida House District 71 which includes portions of Lee, Charlotte and Sarasota Counties. He lives in Englewood, Florida.

He formerly worked as a reactor engineer in commercial nuclear power plants.

In 2006 he was serving as the Principal Deputy Administrator of the U.S. National Nuclear Security Administration in Washington, D.C. In that capacity he was sent by the U.S. Department of Energy to provide consultation to Florida policymakers who (along with other Southern states) were considering legislation to adjust their cost recovery mechanisms which, at that time, applied in ways to create barriers to new nuclear power plants.

Mr. Paul formerly served as the *Distinguished Fellow for Energy Policy*, University of Tennessee, Howard Baker Center Pub Policy

He has been speaking publicly on topics of U.S. commercial nuclear power for 23 years.

He is appearing today by invitation from RPC staff to provide his personal opinions related to Florida's cost recovery mechanisms related to nuclear power plants.