

AGENDA ITEM 1-5



DATE: June 7, 2000
TO: Jerry L. Maxwell, General Manager
FROM: Donald J. Polmann, Director of Resource Evaluation and Protection
SUBJECT: Cone Ranch Options Review – Status Report and Approval to Negotiate Term Sheet

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RECOMMENDATION: Receive status report and authorize staff to continue feasibility assessments and to negotiate a term sheet with Hillsborough County regarding the relinquishment and replacement of water rights on the Cone Ranch property.

DISCUSSION: Tampa Bay Water received a letter dated December 1, 1999 from the Hillsborough County Board of County Commissioners requesting that Tampa Bay Water release its water development rights currently held on the Cone Ranch property. During the discussion of Agenda Item J-2 at the Tampa Bay Water Board of Director's January 24, 2000 meeting, the Board directed staff to work in collaboration with Hillsborough County for a period of 90 days to examine the Cone Ranch water supply development issue. The intent was a review and examination of options and alternatives to determine if there is any opportunity to eliminate or reduce planned ground water withdrawals from Cone Ranch that would meet the needs, standards, and requirements established under the agreements in place, with a report of findings to the Board.

Tampa Bay Water staff and Hillsborough County staff met three times following the January Board meeting (February 3, March 7, and April 14) to discuss and examine the Cone Ranch issue. Tampa Bay Water and Hillsborough County staff have explored in a conceptual manner alternatives to developing the full 12 mgd and full use of the property. Options discussed included potential development of the property in a manner consistent with the County's goals of wetland preservation. This option could involve production of less than 12 mgd from the Cone Ranch property if additional supplies could be effectively secured from other locations. To-date, water supply projects which would replace the 12 mgd quantity proposed for the Cone Ranch project have not been identified.

At the Tampa Bay Water Board of Directors' April 17, 2000 meeting, the Board directed staff to continue discussions with Hillsborough County staff. Tampa Bay Water and Hillsborough County staff met May 26 and continued conceptual discussions on developing less than 12 mgd on portions of the property. Discussions have generated the draft preliminary term sheet (attached) which will serve as the basis for negotiating a detailed term sheet.

Staff expects that Hillsborough County staff will review the attached preliminary term sheet with the Board of County Commissioners at their June 13 BOCC meeting.

NEXT STEP: Acceptance of the preliminary term sheet for future actions, including development of a detailed term sheet which outlines the relinquishment of a portion of Tampa Bay Water's water rights on the Cone Ranch property and defines how the relinquished rights will be replaced.

Attachment

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cc: [unclear]

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1. Tampa Bay Water Staff (TBW) and the Hillsborough County Water Resource Team (HCWRT) will jointly explore options for elimination of Cone Ranch as a potential future wellfield, thus allowing Hillsborough County to pursue federal grants with respect to the preservation and restoration of Cone Ranch.
2. As part of this effort, TBW Staff and HCWRT will identify potential new and/or additional water sources to replace those water rights being relinquished by TBW.
3. Concurrent with the identification of potential water replacement options, TBW Staff in consultation with the HCWRT will undertake a technical evaluation/feasibility analysis on Cone Ranch to determine the amount of water to be replaced.
4. The feasibility analysis will include determining if options meet applicable water management district permitting criteria.
5. Tampa Bay Water Staff and Hillsborough County Water Resource Team will develop a term sheet including a procedural framework and a proposed time period for implementation of any options which are determined to be technically feasible.