

Tampa Bay Water
2009 Annual Report



Who We Are

Tampa Bay Water is a wholesale drinking water utility serving six member governments—Hillsborough, Pasco and Pinellas counties and the cities of New Port Richey, St. Petersburg and Tampa. We develop and deliver high-quality drinking water supplies and work to protect the sources of those supplies. Our vision is safe, clean water for the people who live, work and play in the Tampa Bay area.



Gerald J. Seeber, General Manager
Richard A. Lotspeich, General Counsel



Board of Directors

from left: James Bennett, Councilman, St. Petersburg
Ted Schrader, Commissioner, Pasco County
Vice Chairman Ann Hildebrand, Commissioner, Pasco County
Al Higginbotham, Commissioner, Hillsborough County

from back:

Chairman Mark Sharpe, Commissioner, Hillsborough County
Karen Seel, Commissioner, Pinellas County
Susan Latvala, Commissioner, Pinellas County
not pictured: Scott McPherson, Mayor, New Port Richey and
Charlie Miranda, Councilman, City of Tampa



Supply and Demand

At the end of 2008, the agency achieved a major milestone by successfully reducing groundwater pumping from 11 consolidated wellfields to below 90 million gallons per day on a 12-month running average basis. Due to drought conditions, surface water availability was depleted and the agency turned to groundwater storage to meet the region's water needs in spring 2009. Aggressive conservation by the member governments allowed the agency to reduce pumping and meet the regulatory limit by the end of 2009. The agency maintains groundwater pumping rates well below historic levels.

Clean, Safe Water

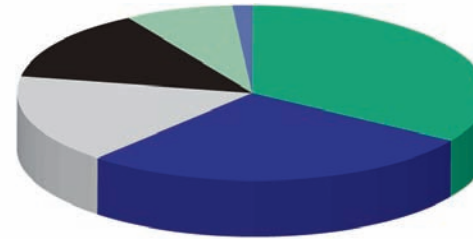
We monitor our drinking water by continuously sampling and testing to ensure that it meets stringent water quality standards. In addition, the agency advocates for protection of our water sources to safeguard the public's drinking water, preserve the environment and protect the public's investment.

In 2009, efforts continued to upgrade the classification of portions of the Tampa Bypass Canal and the Alafia River to protect them from future pollution and we initiated an effort to create a regional source water protection plan.



Our Resources

In 2009, Tampa Bay Water provided our member governments with an average of 171.1 million gallons per day (mgd) of drinking water from three sources: groundwater, treated river water, and desalinated seawater.



Delivery Averages to Member Governments

- Pinellas County - 58 mgd
- Hillsborough County - 47 mgd
- City of St. Petersburg - 28 mgd
- Pasco County - 23 mgd
- City of Tampa - 13 mgd
- City of New Port Richey - 2 mgd



Source Distribution

- Groundwater 70%
- Desal Water 10%
- Surface Water 20%

Renovating the Reservoir

In June 2009, the board approved the Regional Reservoir Renovation project and took an important step in protecting our region's diversified water supply system. The project will ensure long-term, reliable use of this important water storage facility.

Conservation

Conservation is important to providing a reliable water supply for the region. The best way to ensure adequate drinking water for the future is to make sure every drop counts now.

In 2009 during the height of a drought, the region was able to dramatically curtail demand and stretch the limited water supply through the dry season.

The agency began work on an updated regional demand management plan to determine the relative economic benefits and costs of demand management activities as an alternative to new sources of water supply.

Tampa Bay Water continues to partner with state and national agencies to develop standards that promote water efficiency in homes and businesses. Efforts include evaluation and development of standards for landscaping, green buildings, new and existing homes, appliances and best business practices.



Under Construction

The agency is expanding its use of treated surface water by adding pumping capacity and piping and expanding the Regional Surface Water Treatment Plant to produce up to a maximum of 120 mgd. The plant expansion is scheduled to be online in late 2010.

Affordable Water

Water in the Tampa Bay region remains affordable. At less than ¼ cent per gallon (\$2.40 per 1,000 gallons), tap water in the region is a bargain compared to:



1 gallon of bottled water	1 gallon of regular gasoline	1 gallon of fresh milk
\$.99	\$2.69	\$3.09

(Comparison prices as of January 2010)

New Web Site

In September 2009, Tampa Bay Water launched the new agency Web site. The public has access to up-to-date, thorough information about all that is Tampa Bay Water. For more information on the agency's projects or facilities and accomplishments, please visit www.tampabaywater.org.

Looking to the Water Future

Tampa Bay Water never stops planning for future water needs to ensure a reliable, flexible and environmentally sound water supply system. In December 2008, the Board updated the agency's Master Water Plan to meet the region's water needs over the next 20 years. The Plan includes seven projects that will now undergo feasibility studies and analysis, as well as three planning projects for demand management, source water protection and reclaimed water. For more information please visit www.futurewater.org.



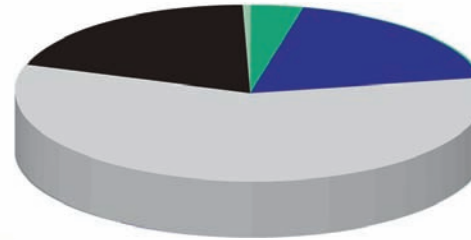
Financials

As a non-profit, government utility, Tampa Bay Water's financial structure works for the member governments and the entire Tampa Bay community. Our capital and operating costs are blended into a uniform rate that all member governments share. For the 2010 fiscal year, the uniform rate is \$2.40 per 1,000 gallons. Tampa Bay Water maintains a AA credit rating across all three rating agencies and continues to have a clean opinion on financial statements year after year.



Expenses

- Operating Expenses - \$80,959,736
- Depreciation Expense - \$24,982,405
- Interest Expense - \$50,510,428
- Loss on Disposal of Capital Assets - \$3,696,165
- Change in Fair Value of Swaption - \$18,442,450
- Total \$178,591,184



Assets

- Current Assets - \$73,492,385
- Restricted Assets - \$355,332,426
- Capital Assets - \$1,130,482,183
- Water Capacity Rights - \$318,058,360
- Bond Issue Costs - \$7,701,021
- Total \$1,885,066,375



Distinction

Tampa Bay Water was awarded the Distinguished Budget Presentation Award by the Government Finance Officers Association (GFOA) for meeting the highest principles in governmental budgeting for the 2010 fiscal year budget. The award acknowledged the agency and its staff for their significant commitment and achievements in meeting guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's recommended practices on budgeting.



Administration Office, Clearwater, Florida

Infrastructure and Emergency Management Facility, Land O' Lakes, Florida



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TAMPA BAY WATER

Supplying Water To The Region



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