Crystal River nuclear plant closure devastates Citrus County

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CRYSTAL RIVER — Huey "Bubba" Anderson III placed the hopes of Fat Boy's Bar-B-Q on the return of the nearby Crystal River nuclear plant.

The local mainstay that his parents opened had fed plant workers since the 1970s.

But on Tuesday, when Duke Energy announced the power plant would close, Anderson said the business could be facing its final days.

"My first thought (was) that I'm going to go under," said Anderson, standing in Fat Boy's near-empty dining room. "The whole Citrus County is going to feel it. . . . It just keeps getting worse and worse."

In this sleepy gulf-front county of rural farmlands and coastal swamps, the nuclear plant that defined Crystal River was perhaps a peculiar claim to fame.

But with the death blow of the plant known as CR3, leaders and residents here said it will be hard to imagine Citrus County carrying on without it.

"It changes everything. We're in a new era," County Administrator Brad Thorpe said. "It's a wake-up call in this county for everyone who wants quality of life."

Leaders worried losing the core of the county's biggest employer and taxpayer could lay waste to the local tax base, where one of every four dollars once came from the power complex.

Shutting the plant would drop Duke Energy's tax bill, which was $35 million, to at most $13 million, an executive of Duke subsidiary Progress Energy Florida told the county last month.

That shortfall, equal to a fourth of the county's general fund, could have dire consequences for schools, safety and public services in this expanse of forests and strip malls less than 80 miles north of Tampa.

But it could also chip away at the meager job offerings and unconventional identity this "company town" and the broader community built up and lived off for decades.

"When you thought of Crystal River, you thought of the nuclear plant," Crystal River City Manager Andy Houston said. "It's hard not to be depressed."

Worries over the impact of CR3's demise have lingered here since the plant's containment wall cracked in late 2009 and attempted fixes failed. Ever since, former employees have led a slow exodus in search of work.

Duke said some of the plant's 600 full-time workers would be offered jobs elsewhere. But gone for now are the small armies of laborers, operators and engineers that provided the kind of funding small business needs to survive.
At the Nature Coast Landings RV Resort, just north of the plant on U.S. 19, manager Dennis Bigger's hopes of long-term renters soured when plant contractors pulled out over the last few weeks.

And school superintendent Sandra "Sam" Himmel said many of the district's employees have spouses that work at the plant, heightening worries over people leaving for new careers.

"A lot of people relocated here because of the nuclear plant, and they may have to relocate again now," Himmel said. "I don't think we even know what the full impact of this is going to be."

Some leaders here, like County Commission Chairman Joe Meek, said they were encouraged by Duke's talk of a new natural gas plant and took solace that there are still four functioning coal units at the Crystal River site.

"The decision today removes uncertainty (and) highlights the drastic budget issues we are facing," Meek said. But it also provides "an opportunity to redefine our priorities."

Yet the damage from Crystal River closures could be far from over. If two of the older coal plants there close as expected in two to five years, county tax revenue could sink even more.

For decades, the nuclear site in Citrus was a normal part of life, county Chamber of Commerce president Josh Wooten said. Few people thought twice about the emergency test sirens that sounded every Friday at noon.

"We grew up with it," Wooten said. "A lot of my old buddies from the Crystal River area worked for them. A couple helped pour the slab."

But over the last four years, the specter of plant closure and its financial fallout became a pressing concern. In a July meeting, Citrus County Commissioner Dennis Damato likened the potential closure to a "doomsday scenario."

Commissioner John J. "JJ" Kenney said the five Commissioners "will be borrowing boots from fire services and standing on the corners to help fund programs if that happens."

The county felt a hint of the loss last year when Duke disputed its appraisal and paid only $19 million of its $35 million tax bill. To close the shortfall, the county proposed closing libraries and community centers, carving $8 million from school budgets and paying less toward resurfacing roads.

The county itself has a history of booming business giving way to disaster. Its namesake industry of rolling citrus groves was devastated during the "Big Freeze" of the 1890s, and the phosphate-mining boom that followed collapsed during World War I.

Since then, leaders here and in Inverness, the county seat, have struggled to fill the business gap. Outside of power generation, much of Citrus' exports come from its more than 400 cattle, corn, berry and hay farms. The Economic Development Council has touted its local manufacturers, which build parts like computer motherboards and windmill turbines.

Yet for all their effort, the county remains scarred by little industry and too few jobs. Citrus consistently ranks among Florida's 10 worst unemployment rates; in December, 9 percent of people there were out of work.

At Castaways, a favored watering hole among plant workers, talk of CR3's fate echoed, with 40-year Crystal River resident Larry Carlson worrying the closure could ripple into the county's weakened home prices.

Wooten, at the Chamber of Commerce, said he worried about how the closure could shake his county still staggering out of the recession.

He also worried about the "psychological effect" it could have on people looking to invest in Citrus in the future.

"This is going to be a devastating blow," U.S. Rep. Rich Nugent said in a statement. "The plant has been a key economic engine in
this community for thirty years. . . . It's a mighty tough day for Citrus County."

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**FAST FACTS**

**Citrus County**

- **Unemployment rate (Dec. 2012):** 9.1 percent
- **Population (2011):** 140,000, a tenth the size of Hillsborough County
- **Land area:** 581 square miles
- **Median household income (2011):** $38,000, $10,000 less than the state average
- **Founded:** 1887, when split from Hernando County
- **County seat:** Inverness

Sources: U.S. Census Bureau, Florida Department of Economic Opportunity