

# Strategic Planning/Budget Guidance



March 11, 2009

## Strategic Planning Approach

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- February recap
- Strategic priority overview
- Updated revenue forecast
- Expense issues looking forward
- Discuss strategic priorities
- Next steps

## Business Cycle Calendar

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- **Feb – May:** Strategic Planning
- **April – June:** Staff Develops Budget & Plan
- **June:** Draft FY2010 Work Plan and Budget
- **July:** Adoption of Proposed Millage Rates
- **August:** Submit Proposed Budget to Governor's Office, DEP and Legislature
- **August – September:** Capitol Coordination
- **September:** Budget Adoption Public Hearing

## Current Strategic Priorities

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- Restore the Everglades by:
  - Acquiring land and planning projects to expand water storage and treatment options south of Lake Okeechobee to revive the River of Grass
  - Advancing construction schedules of existing key projects
  - Implementing the Long-Term Plan to achieve water quality standards
- Protect and restore natural systems in the Northern Everglades (Kissimmee, Lake Okeechobee, Caloosahatchee and St. Lucie watersheds) by increasing storage capacity and water quality treatment

## Current Strategic Priorities

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- Refurbish the regional water management system by implementing the 50-year plan
- Meet the current and future demands of water users and the environment by implementing regional water supply plans
- Retain and recruit a high-quality, diverse workforce by continuing to recognize the value of employees

## Expense Issues Looking Forward

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- **Sea level rise** Jayantha Obeysekera
  - *Covered in February*
- **Potential Federal levee standard changes**  
George Horne, Jeff Kivett
- **Existing Everglades Restoration construction commitments**  
Ken Ammon, Tommy Strowd
- **USEPA/FDEP established TMDLs**  
Susan Gray, Kevin Carter

## Expense Issues Looking Forward

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- **Lake Okeechobee Watershed Construction Project Phase II Technical Plan** Tom Teets
- **Rivers Watershed Protection Plans** Temperince Morgan
- **Condemnation & Inverse Condemnation trends** Ruth Clements
- **Future O&M costs for current construction** George Horne
- **Emergency Reserves** Doug Bergstrom

# Updated Revenue Forecast



Who are  
you calling  
GRUMPY?

# Forecasting in an Uncertain Environment

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Economic conditions continue to worsen:

- Stock market has dropped 49% since January 2008
- National unemployment has risen from 4.9% in December 2007 to 8.1% through February 2009
- Record-high 12.5M people unemployed
- Construction activity is at all-time low levels
  - New lows for annual housing starts have been set for the past 4 months – breaking previous low in 1959
  - Annual building permits have dropped below previous record low set in 1975

# Forecasting in an Uncertain Environment

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- Foreclosures have set record levels:
  - Palm Beach County 117% increase
  - Miami-Dade County 259% increase
  - Lee County 63% increase
  - Broward County 161% increase
  - Orange County 205% increase
- Minimal impact of Federal banking bailout so far
- Mortgage relief programs have had limited success due to strict qualification requirements
- Impact of pending economic stimulus plan unclear and will take time

# Forecasting in an Uncertain Environment

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- National housing inventory is currently at about a 10-month inventory – has been temporarily mitigated by lender foreclosure moratorium
- Tight credit availability and increasing unemployment won't help reduce inventory in the near future
- Collectively 75% of District taxroll value is residential property
  - 33% homesteaded residential property
  - 42% non-homesteaded residential property
- Forecasting the magnitude of the taxroll reduction has proved challenging

## State Budget Status

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- \$5.2B current General Revenue shortfall estimate for FY09 and FY10
- State General Revenue estimate of \$21.9B represents FY03-04 levels
- Proposed budget utilizes reserves, fee adjustments, bonding, Gaming Compact funds and Federal Stimulus dollars to bridge the revenue gap
- Also includes reduction of 700 FTEs

## State Budget Status

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<b>Save Our Everglades</b>	<b>75.0</b>
<b>Florida Forever</b>	<b>31.5</b>
<b>WMLTF - Land Management</b>	<b>9.9</b>
<b>AWS</b>	<b>10.0</b>
<b>Alligator Alley Tolls</b>	<b>2.0</b>
<b>Total</b>	<b>128.4</b>

## Updated Financial Forecast

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December Scenarios	FY2010		FY2011	
	% Change	Revenue	% Change	Revenue
Optimistic	-3.8%	-\$20.4	2.3%	\$11.4
EDR "More Likely"	-8.6%	-\$46.3	1.3%	\$6.1
Pessimistic	-9.3%	-\$50.0	-3.2%	-\$15.5
<b>March EDR Update</b>	<b>-14.9%</b>	<b>-\$80.4</b>	<b>-7.5%</b>	<b>-\$34.2</b>

EDR = Office of Economic & Demographic Research

## EDR March 2009 Taxroll Update

County	FY2010	FY2011	FY2012
Miami-Dade	-13.2%	-8.2%	2.4%
Broward	-16.0%	-9.9%	0.9%
Palm Beach	-12.6%	-7.6%	1.3%
Lee	-23.4%	-13.3%	0.9%
Collier	-24.3%	-12.1%	2.0%
Orange	-8.7%	-5.8%	1.6%
Osceola	-8.3%	-4.4%	3.2%

State-wide	-12.9%	-7.6%	1.7%
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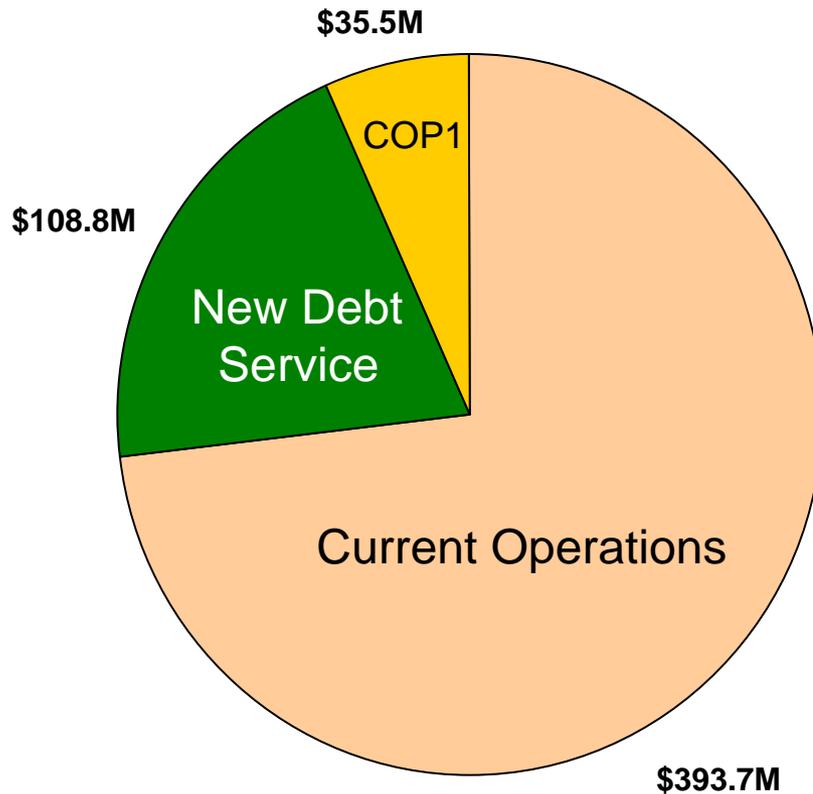
## FY2010 Ad Valorem Reductions/Redirections

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<b>Ad Valorem Reduction</b>	<b>80.4</b>
<b>Redirections:</b>	
<b>Land Management</b>	<b>7.8</b>
<b>AWS Match</b>	<b>9.2</b>
<b>Total</b>	<b>97.4</b>

- Represents 24-25% of current operations

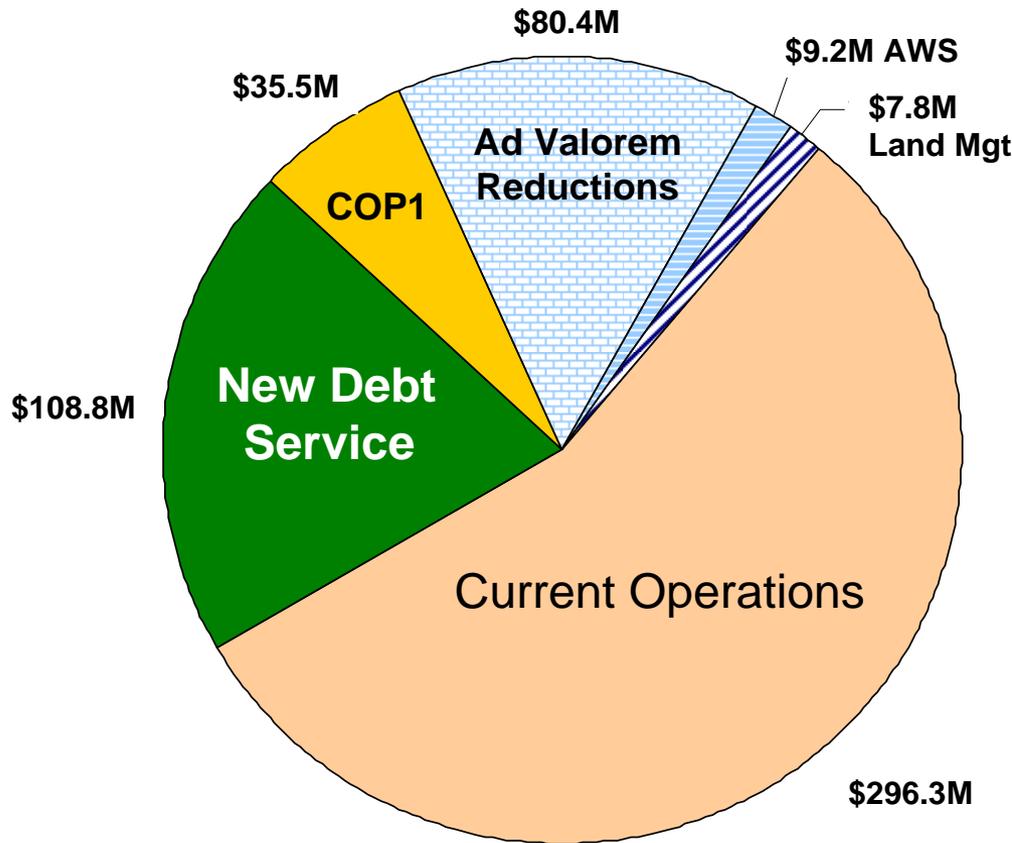
# FY2009 Ad Valorem Budget



Current operations includes:

- O&M Capital \$ 45.3M
- Contracts/Operating \$150.1M
- Reserves \$ 23.1M (contingency/hurricane)
- Personnel Costs \$175.2M

# FY2010 Recurring Ad Valorem Reductions/Redirections



Represents 24%-25% of current operations

## Use of One-Time Cash Balances

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- Detailed proposal still under development
- Preparing options for use of current SOE available balances for future land contract costs
- Focus cash on project funding:
  - Completion of Acme Basin B construction
  - C-111 Spreader Canal construction
  - Completion of Compartments B & C construction
  - Lab Facility construction
  - Future Liabilities/Buy Down Debt

## Next Steps

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- Prepare draft Strategic Plan for April
- Staff will complete detailed FY2010 budget approach:
  - Review requests based on statutory requirements
  - Evaluate impacts of reductions from FY2009 levels
  - Look for opportunities to internalize currently contracted priority work
  - Reduce/eliminate lower priority activities
- Monitor State Budget Process
- Determine Use of One-time Cash Balances
- Draft FY2010 budget and work plan in June

# Expense Issues Looking Forward

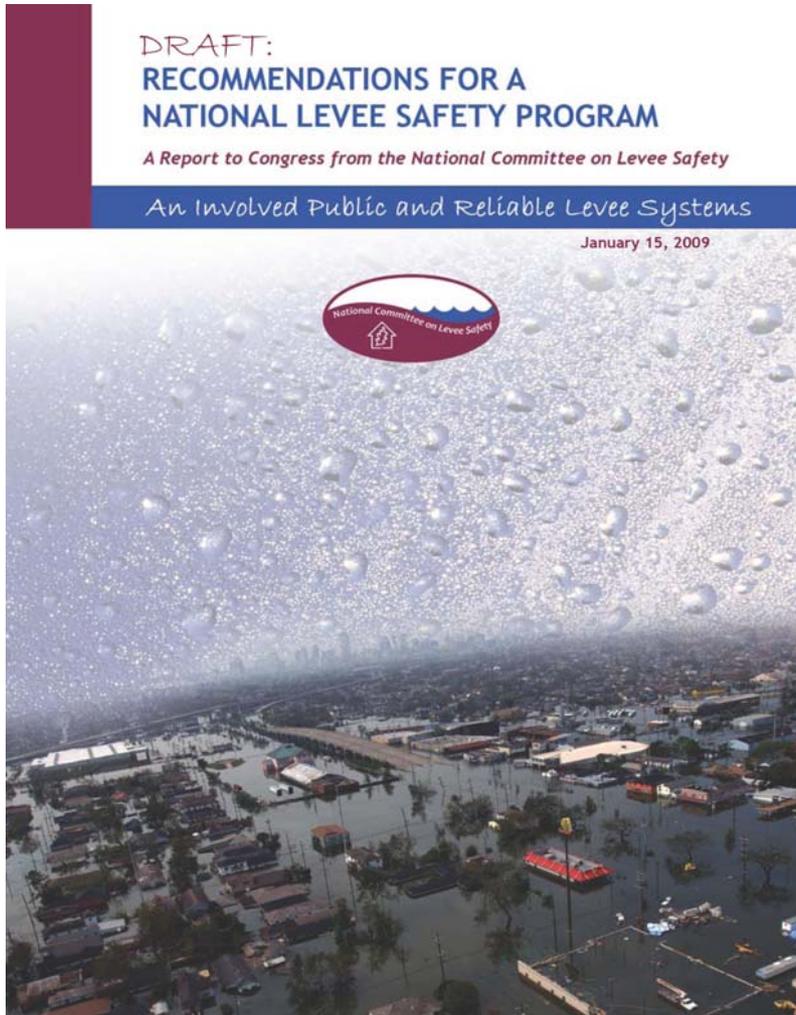


# Potential Federal Levee Standard Changes

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# Purpose of the Report



Response to Title IX -  
National Levee Safety  
Act of the Water  
Resources  
Development Act,  
Section 9003 (Levee  
Safety Committee)

# National Levee Safety Program

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- Three Main Concepts  
(20 Recommendations)
  - The Need for Comprehensive and Consistent National Leadership (13)
  - The Building and Sustaining of Levee Safety Programs in All States (3)
  - Aligning Existing Federal Programs - Incentives and Disincentives (4)

# Recommendations on a National Levee Safety Program

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- Comprehensive and Consistent National Leadership
  - Phase 1
    - Establish a National Levee Safety Commission
    - Expand and Maintain the National Levee Database
    - Adopt a Hazard Potential Classification System
    - Change “Certification” to “Compliance Determination”
    - Require Peer Review of Levee Compliance Determinations
    - Swiftly Address Emerging Levee Liability Issues
    - Develop & Implement a Public Involvement and Education/Awareness Campaign (Phase 1 and 2)

## Recommendations on a National Levee Safety Program

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- Comprehensive and Consistent National Leadership (cont.)
  - Phase 2
    - Develop & Adopt National Levee Safety Standards
    - Develop Tolerable Risk Guidelines (Phase 2 and 3)
    - Provide Technical Materials and Technical Assistance (Phase 2)
    - Develop a National Levee Safety Training Program (Phase 2)
    - Harmonize Safety and Environmental Concerns (Phase 2)
    - Conduct a Research & Development Program (Phase 2)

## Recommendations on a National Levee Safety Program

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- Building and Sustaining Levee Safety Program in All States
  - Design and Delegate Program Responsibilities to States (Phase 2)
  - Establish a Levee Safety Grant Program (Phase 2)
  - Establish the National Levee Rehabilitation, Improvement, and Flood Mitigation Fund (Phase 2)

# Phased Strategic Implementation

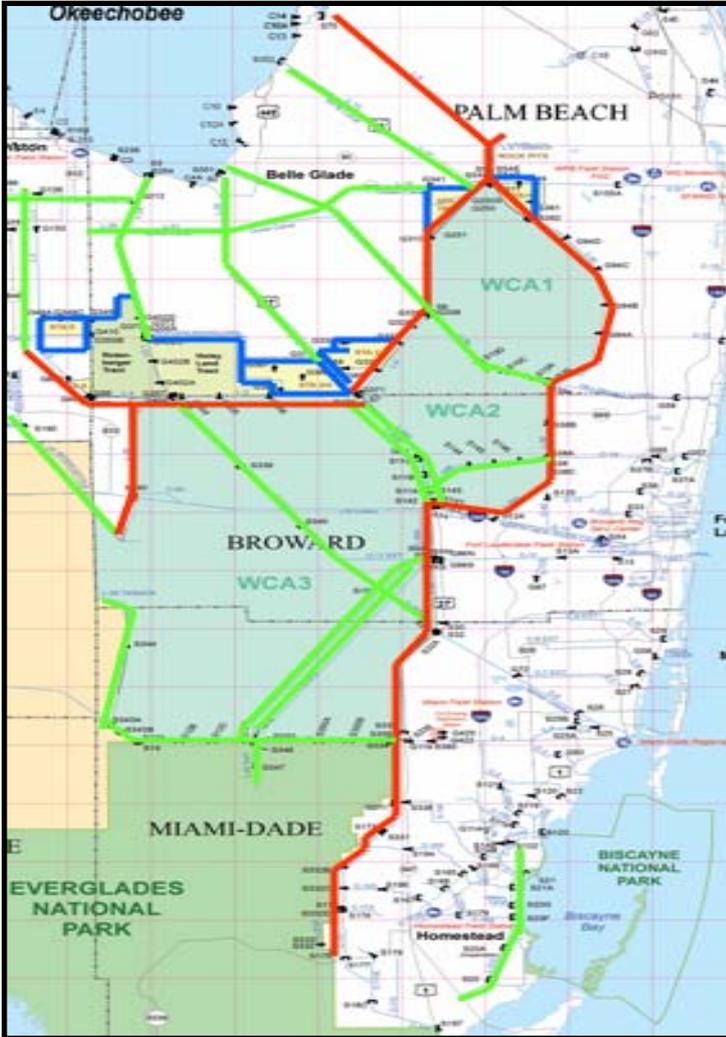
Phase I Activities											
	Phase II Activities										
						Phase III Activities					
<b>Calendar Years</b>											
2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>“Immediate Actions”</b>  Existing Authorities	<b>“Standing Up the Program”</b>  Primarily Incentives Requires Legislation					<b>“Sustaining the Program”</b>  Incentives and Disincentives					

## Immediate Impact to SFWMD

- Classify Existing Levees Based on Hazard Potential Classification System to Prioritize Levee Safety Activities
  - Recommendation #3
  - NLCS classification proposed below is intended for interim use over the next 5 years

Hazard Potential Classification	Number of People Potentially Inundated	Number of People Potentially Inundated to Depths $\geq$ 3 feet	Additional Considerations
High	$\geq$ 10,000	$\geq$ 10,000	Includes areas of consequence where critical life safety infrastructure is at risk (e.g. major hospitals, regional water treatment plants, and major power plants)
Significant	$>$ 1,000	$<$ 10,000	Includes areas of consequence where the number of people potentially inundated is low, but there may be significant potential for large economic impacts or losses
Low	$<$ 1,000	0	-

# Levees South of Lake Okeechobee



**Total length: 670 miles**

**Red: 202 miles including  
East Coast Protection: 105 miles**

**Blue: 85 miles**

**Green: 383 miles**

# Original Levee Construction

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## Timeline

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- Levees were built during the 1950s
- Rules and regulations relating to levee maintenance and safety requirements evolved several times during the 70s and 90s
- Hurricane Katrina raised awareness and led to the creation of the NLSC
- New changes are expected to be adopted by the US Congress in 2011 which will increase the responsibilities of the local sponsors
- SFWMD plan is to meet the current requirements within the next 5 years

# L-40 Existing Condition

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## L-30 Current Condition looking NE

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# L-30 Current Condition Looking NE

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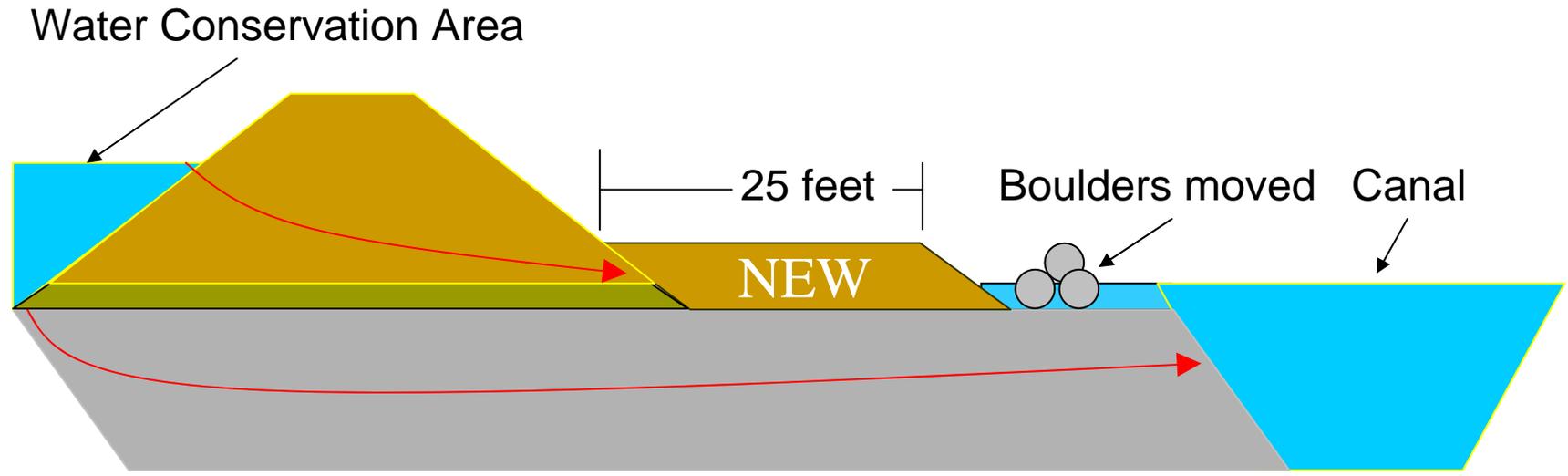


## Desired Condition, this portion of L-30

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# Levee Maintenance Plan



# Questions?



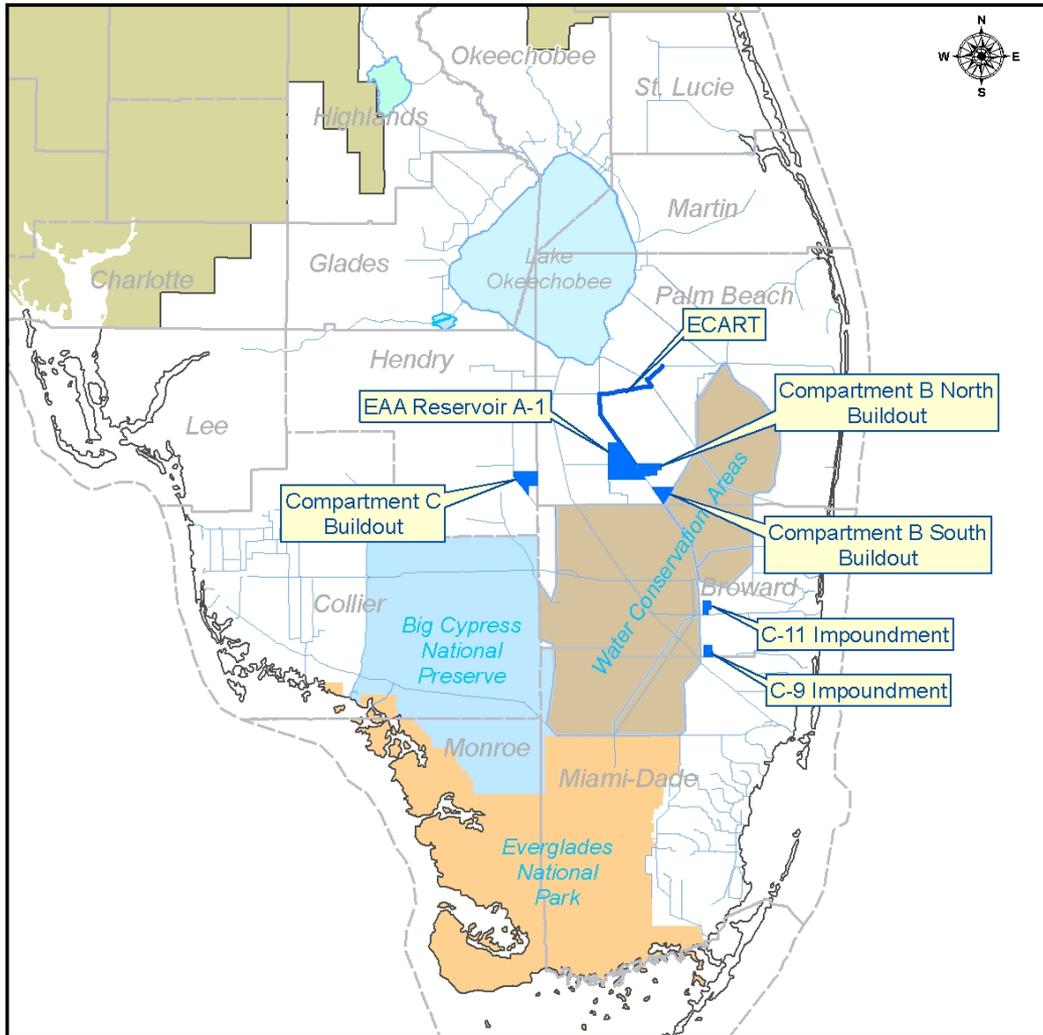
# Existing Everglades Restoration Construction Commitments

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“I didn’t realize a long-term commitment would be so... long-term.”

# Project Commitments

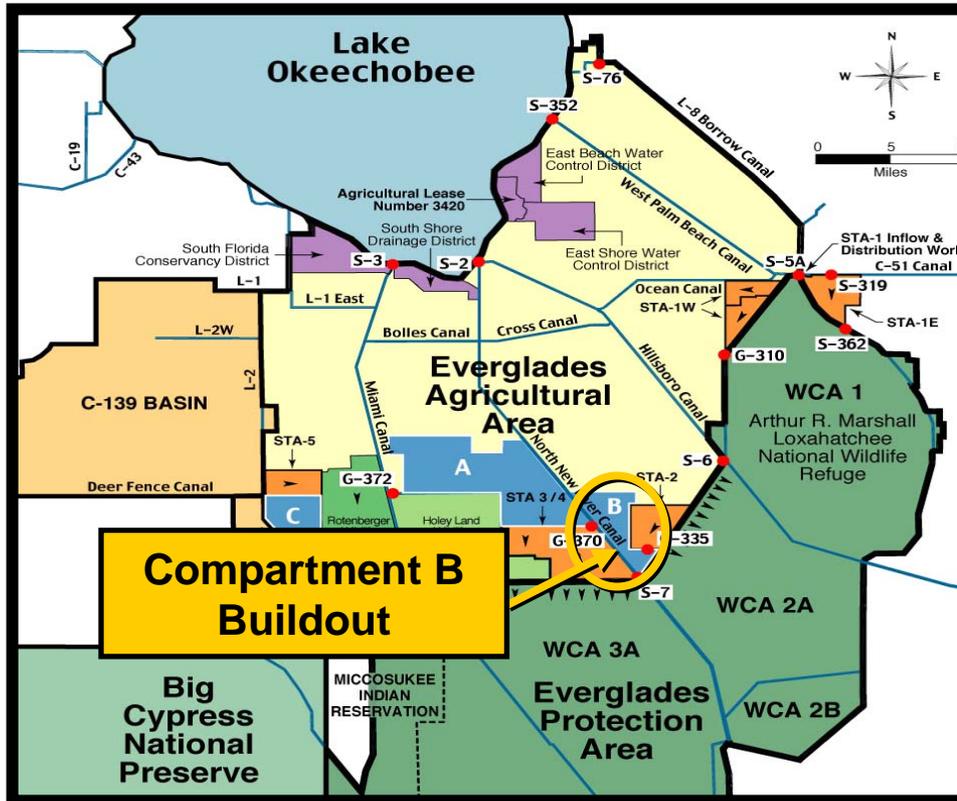


## Projects with Commitments

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- Everglades Agricultural Area Stormwater Treatment Areas Compartment B and C (**Long-Term Plan**)
- Water Preserve Areas C-11 & C-9 Impoundment (**Long-Term Plan**)
- Everglades Conveyance and Regional Treatment (ECART) (**Long-Term Plan**)
- EAA Reservoir A-1 Project Site (**Testimony to Special Master**)

# Compartment B Buildout Stormwater Treatment Area



## Project Description:

Approximately 7,500 acres of Stormwater Treatment Area (STA) to complement STA 2 for treatment of EAA run-off

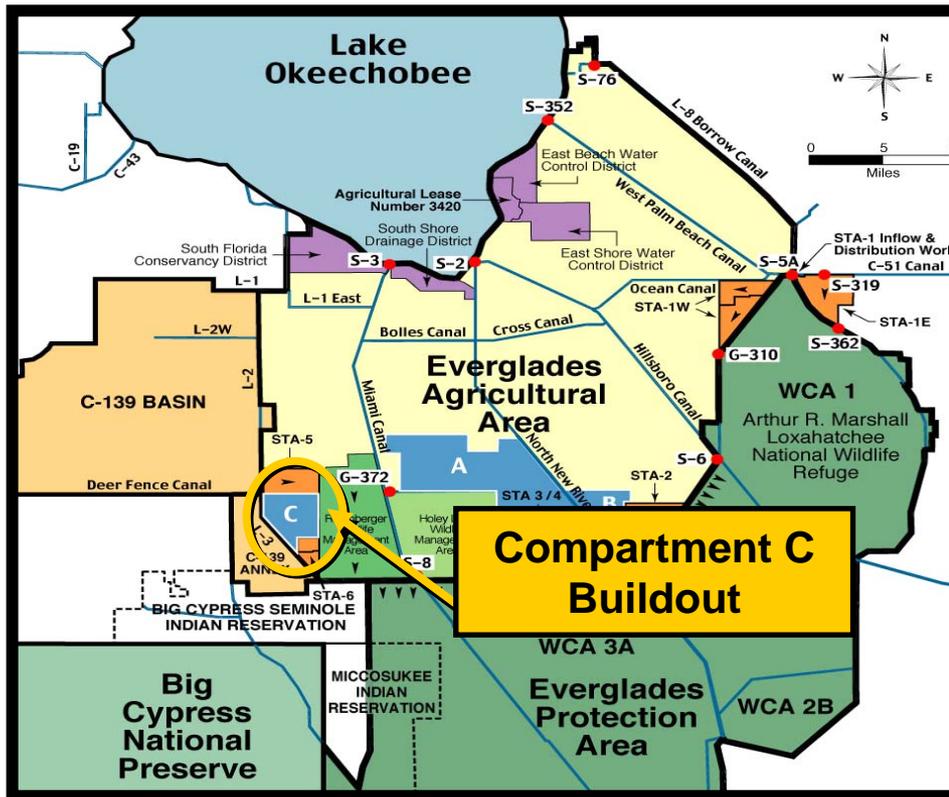
## Project Schedule:

Finalizing permitting with DEP and USACE for award of construction in March/April timeframe

## District Commitment:

Scheduled and budgeted to construct

# Compartment C Buildout Stormwater Treatment Area



## Project Description:

Approximately 6,400 acres of STA to complement STA 5 and 6 for treatment of C-139 Basin Area run-off

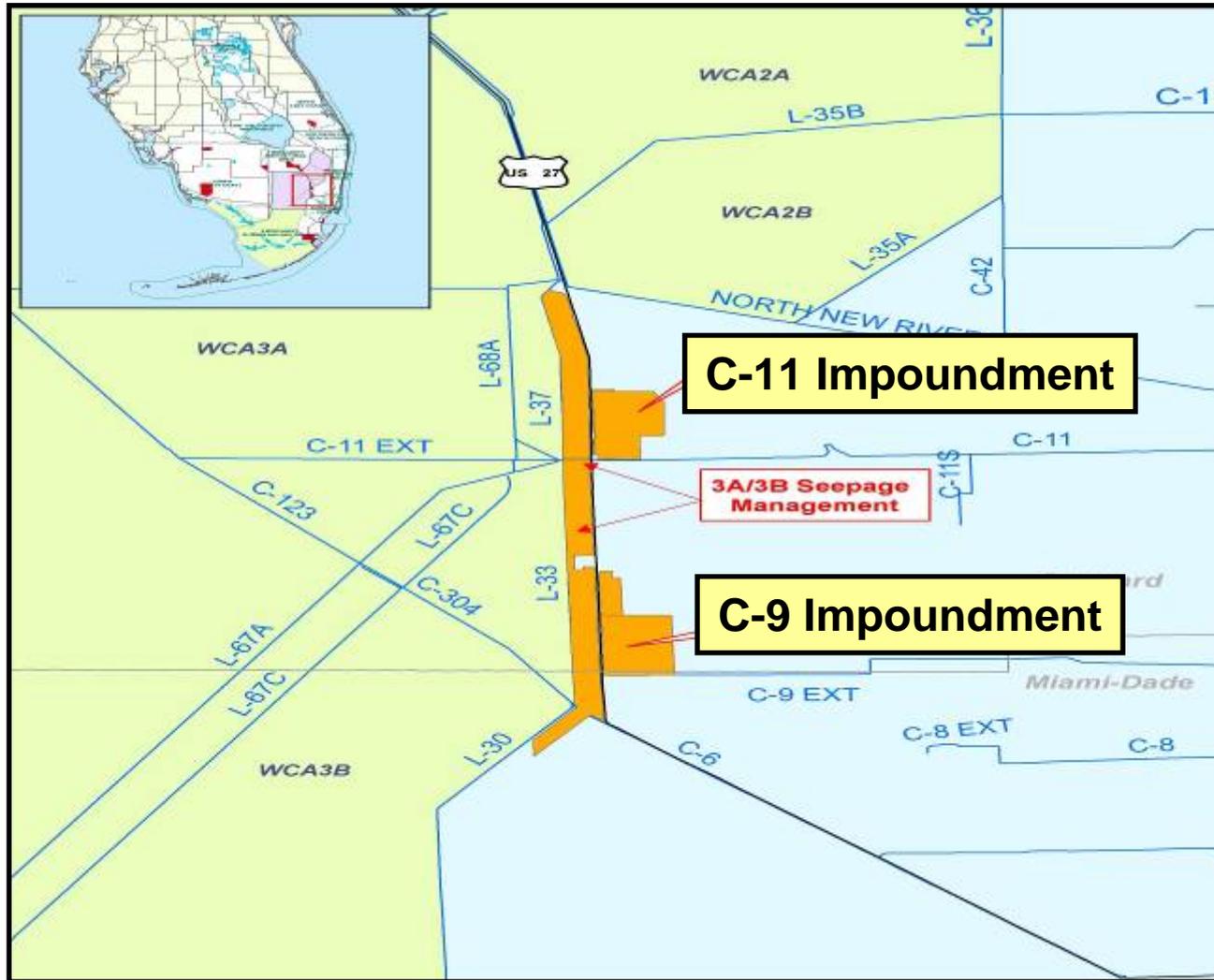
## Project Schedule:

Finalizing permitting with USACE for award of construction in March timeframe

## District Commitment:

Scheduled and budgeted to construct

# Broward County Water Preserve Area C-9 and C-11 Impoundments





## C-11 Impoundment, *cont.*

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- Project Schedule:
  - Final Design completed by USACE  
April 24, 2009
  - Construction Contract – May 2012 through  
August 2015
    - (Dependent on Federal Authorization and  
Appropriations)
- District Commitment:
  - Agreement for USACE to design and construct
  - Listed project in Long-Term Plan

## C-9 Impoundment



### Project Description: 1500-acre shallow impoundment

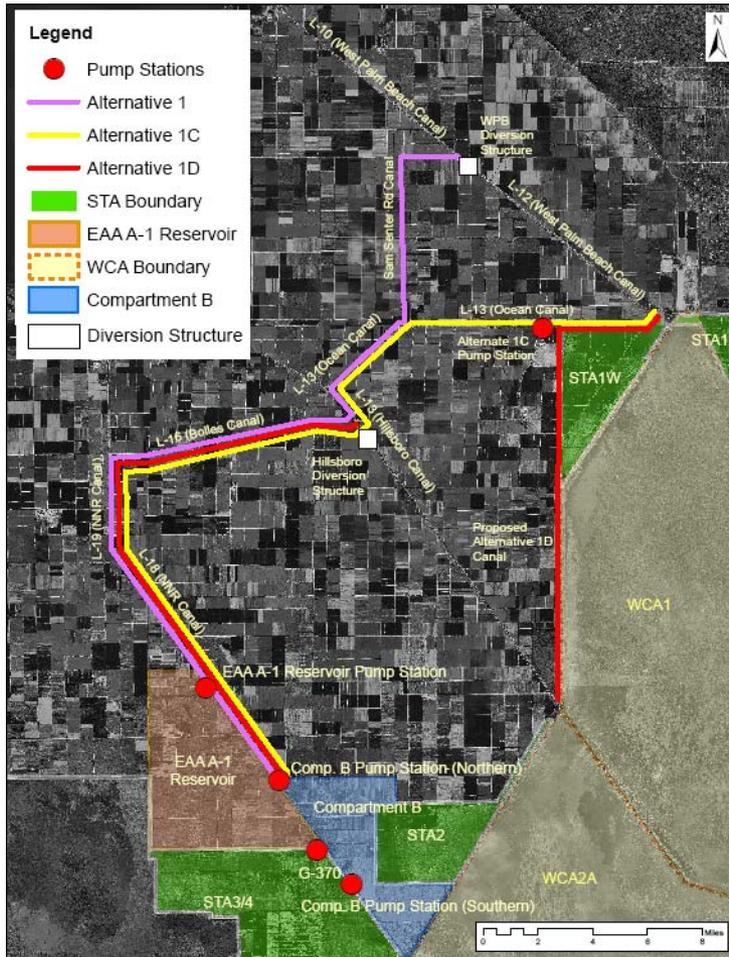
- Receives stormwater from western C-9 Basin and C-11 Basin
- Water diverted from the S-9 Pump Station

## C-9 Impoundment, *cont.*

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- Project Schedule:
  - Design to start by USACE mid 2009
  - Construction Contract – April 2014 through June 2017
    - (Dependent on Federal Authorization and Appropriations)
- District Commitment:
  - Agreement for USACE to design and construct
  - Listed project in Long-Term Plan

# Everglades Conveyance and Regional Treatment (ECART)



## Project Description:

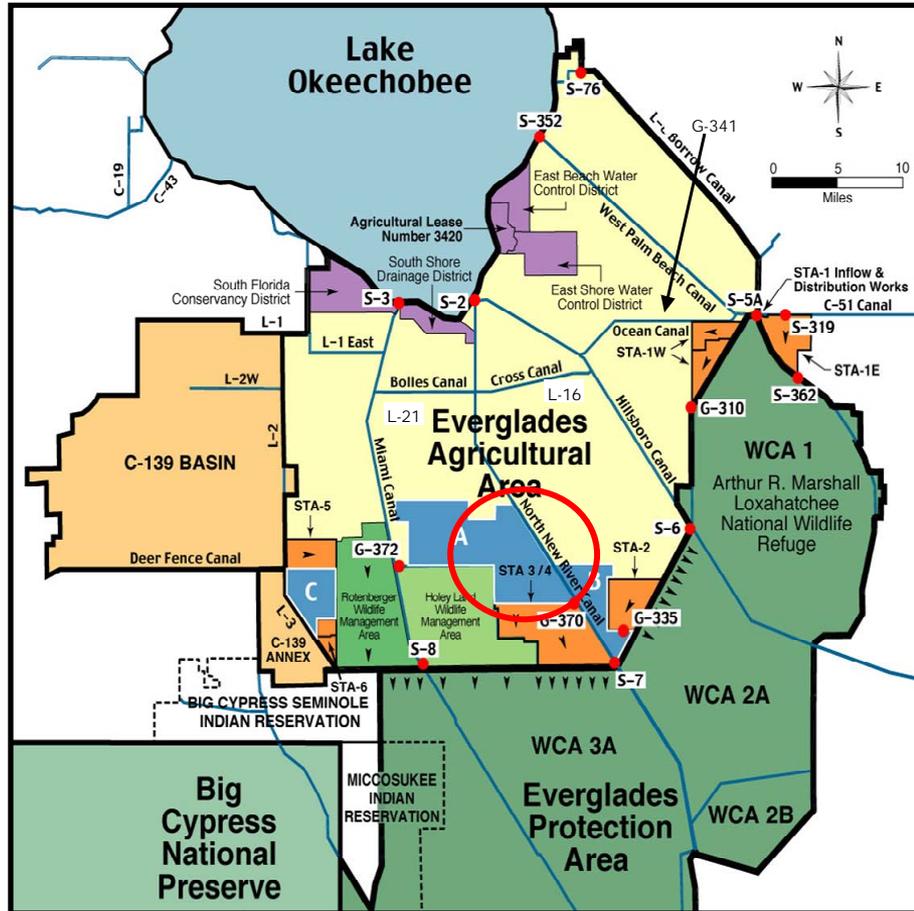
Redistribution of flows and loads to optimize the performance of the existing and expanded STAs to improve water quality in the Everglades Protection Area

## Everglades Conveyance and Regional Treatment (ECART)

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- Project Schedule:
  - Feasibility Study to evaluate alternatives completed 2007
  - Initial design work (Survey and Geotech) complete
  - Work on hold until River of Grass planning complete
- District Commitment:
  - Listed project in Long-Term Plan

# EAA Reservoir A1



## Project Description:

A 12.5 feet deep aboveground reservoir with a capacity of 190,000 acre-ft of storage for capture and storage of EAA agricultural run-off and regulatory releases from Lake Okeechobee

## EAA Reservoir A1, *cont.*

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- Project Schedule:
  - Construction started August 2006
  - Construction terminated December 2008
- District Commitment:
  - Testimony to Special Master on building the project

# Questions?



# USEPA/FDEP Established Total Maximum Daily Loads (TMDLs)

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# TMDLs: What Are They?

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## Total Maximum Daily Loads

“A TMDL is the maximum amount of a given pollutant that a water body can absorb and still maintain its designated uses (e.g., drinking, fishing, swimming, and shellfish harvesting).”

(From Florida Department of Environmental Protection web site:  
<http://www.dep.state.fl.us/water/tmdl>)

## FDEP's TMDL process: 5 phases

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The Florida Department of Environmental Protection (FDEP) is the lead state agency for TMDLs and has established a 5 phase process in 5 rotating basins

**Phase 1:** Preliminary Evaluation

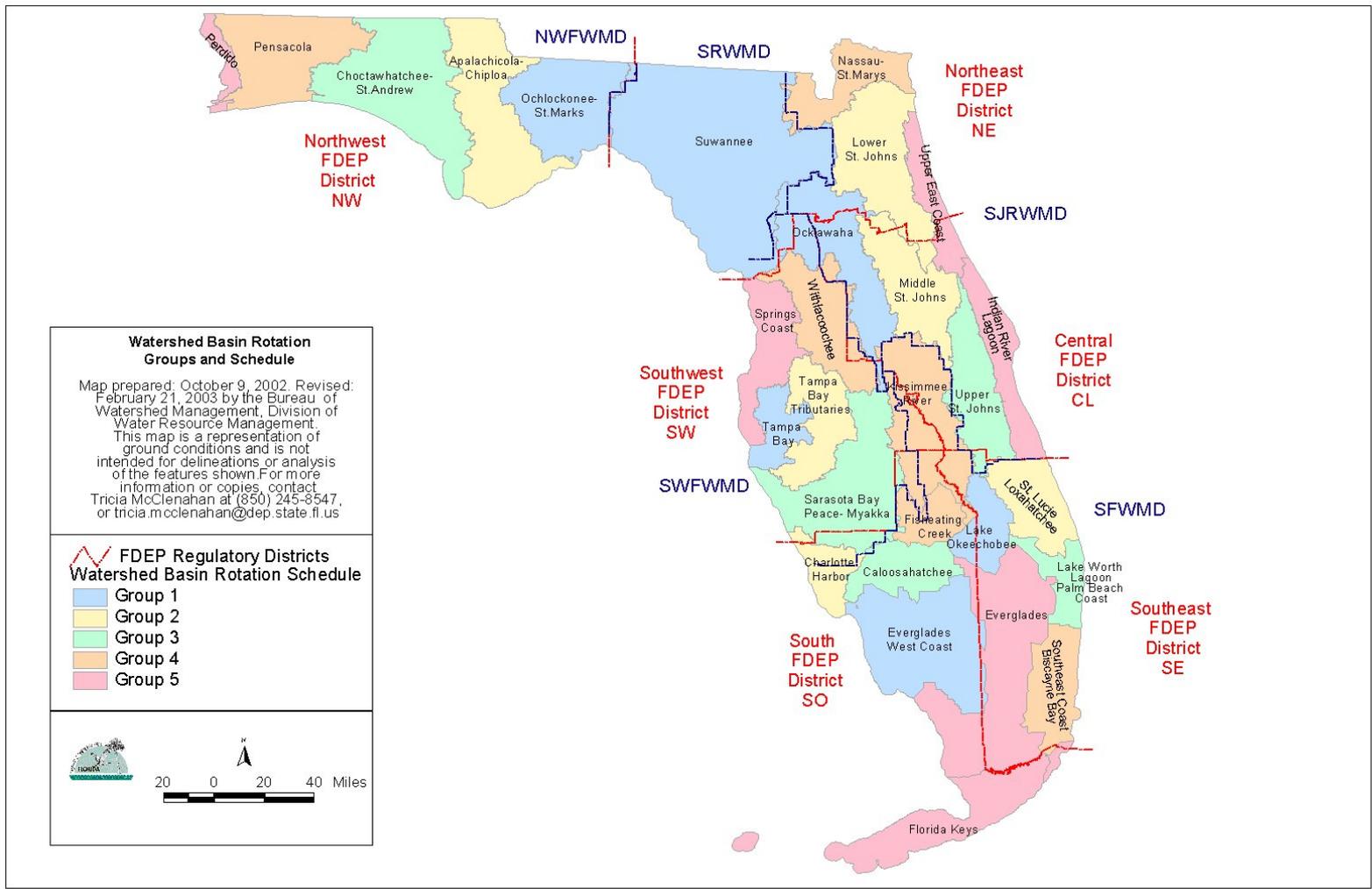
**Phase 2:** Strategic Monitoring, Assessment, and Listings

**Phase 3:** Development and Adoption of TMDLs

**Phase 4:** Development of Basin Management Action Plans (BMAP)

**Phase 5:** Implementation of the BMAP

# FDEP's Watershed Basins



## FDEP's TMDL Process: Implementation

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- Per the Clean Water Act, states are responsible for TMDL implementation
- In Florida, the Basin Management Action Plan (BMAP) process is the primary tool for the FDEP to implement TMDLs
- The BMAP requires a broad based stakeholder group to “sign the dotted line” as far as their commitments for action

## TMDLs: The District's Role?

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- Water Management Districts referenced throughout the **Florida Watershed Restoration Act** (FWRA, Florida Statutes 403.067) primarily as a coordinating agency with the Florida Department of Environmental Protection (FDEP)
- Beyond the FWRA, the **Northern Everglades and Estuaries Protection Program** (Northern Everglades) legislation (Florida Statutes 373.4595) links the District with the TMDL process

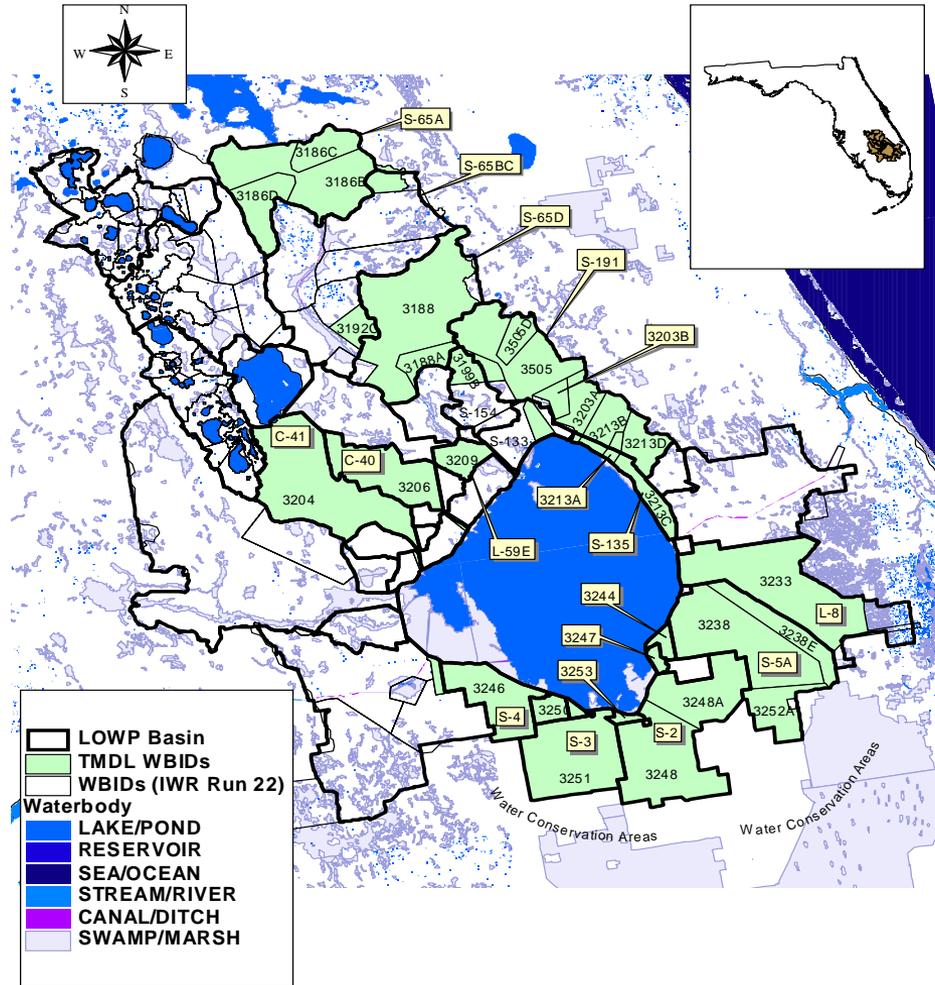
## TMDLs and the District: Lake Okeechobee

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- Within the Northern Everglades, the major water body currently undergoing TMDL implementation is **Lake Okeechobee**
- **The Lake Okeechobee Watershed Protection Plan** is the restoration plan to meet the original FDEP Lake Okeechobee TMDL set in 2001
- The United States Environmental Protection Agency (USEPA) June 2008 release of a Lake Okeechobee Tributaries TMDL provides more complexity to this process

# USEPA's Lake Okeechobee Tributary TMDLs

- Numbers on map primarily refer to Water body Identification Numbers (WBIDs)
- Green areas (WBIDs) are where the USEPA has set tributary TMDLs and set load targets for Lake Okeechobee



## TMDLs and the District: The Northern Everglades Estuaries

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- Within the Northern Everglades, the two major water bodies set for TMDL implementation via the BMAP process are the **St. Lucie and Caloosahatchee estuaries**
- The FDEP **St. Lucie** Estuary nutrient and dissolved oxygen TMDL is currently being adopted into rule (F.A.C. 62-304.705); the proposed FDEP **Caloosahatchee** Estuary nutrient TMDL should be adopted into rule within the next few months
- The Northern Everglades legislation states: the Caloosahatchee River and St. Lucie River Watershed Protection Plans are **“to be the basis”** for the **BMAPs** to implement these two TMDLs

## TMDLs and Northern Everglades: The next three years

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- **For Estuaries:** The BMAP development process should kickoff in Fiscal Year (FY) 2009 and likely last until FY2011 before implementation begins
- However, implementation of **River Watershed Protection Plan components in FY 2009 and FY 2010** should eventually be integrated in the final BMAP documents
- For Lake Okeechobee: Continued progress on the components of **the Lake Okeechobee Watershed Protection Plan** equates to progress on the Lake Okeechobee TMDL

## Other Basin Management Action Plans

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- Some other water bodies outside of the Northern Everglades have draft or finalized TMDLs (e.g., Lake Trafford)
- Future implementation for those TMDLs will be developed during the specific BMAP planning processes (completion dates likely beyond FY 2010) and the District's role will vary depending on the pollutant type and water body

## Future TMDL Adoptions and Lists

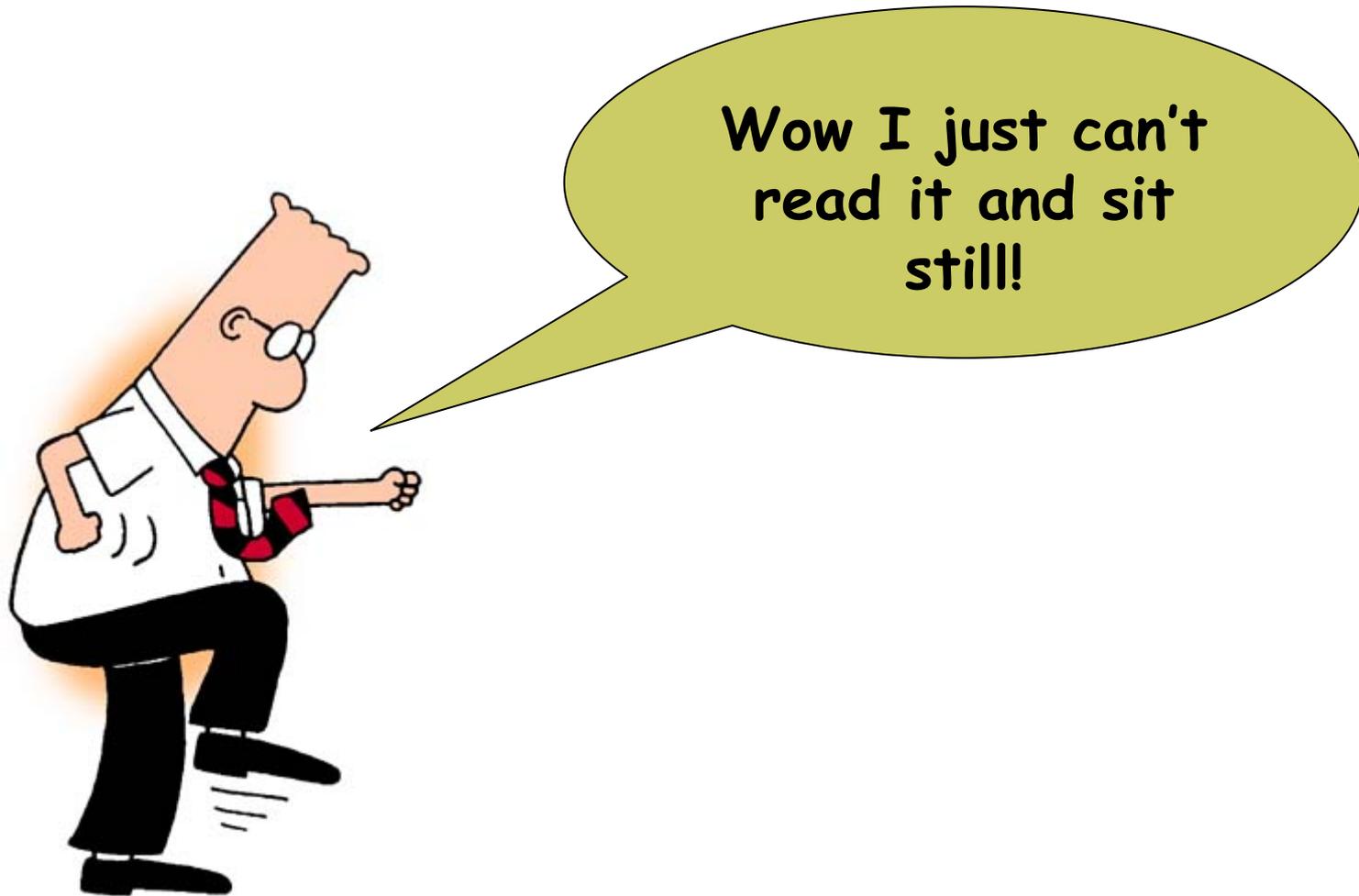
- Numerous other water bodies are listed for future TMDL adoption in the next two to five years; Specific implementation planning (i.e., BMAPs) for those future TMDLs will follow that time frame
- The recent announcement of freshwater numeric nutrient (phosphorus and nitrogen) criteria deadline of January 2010 by USEPA may also impact the number of future nutrient TMDL listings

# Questions?



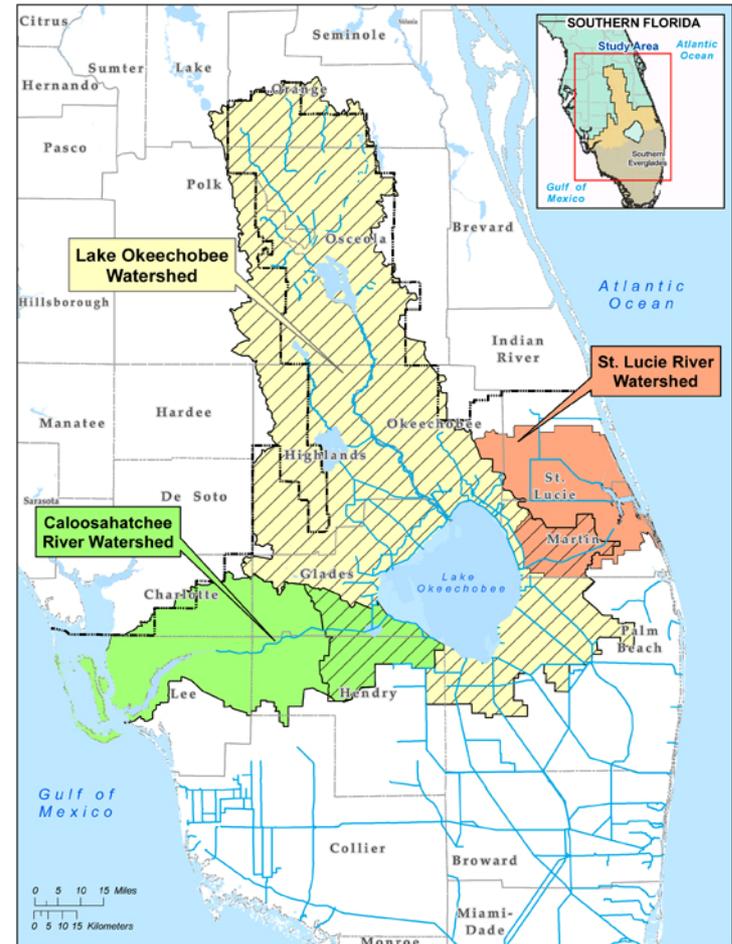
# Lake Okeechobee Watershed Construction Project Phase II Technical Plan

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# Northern Everglades and Estuaries 2007 Legislation

- Required development of Plans to identify water quality and storage projects in three northern watersheds
  - Lake Okeechobee Watershed Construction Project Phase II Technical Plan-by Feb 1, 2008
  - Caloosahatchee and St. Lucie Rivers Watershed Protection Plans-by Jan 1, 2009
- Required plan updates
  - Annual Status Reports
  - Triennial Plan Updates



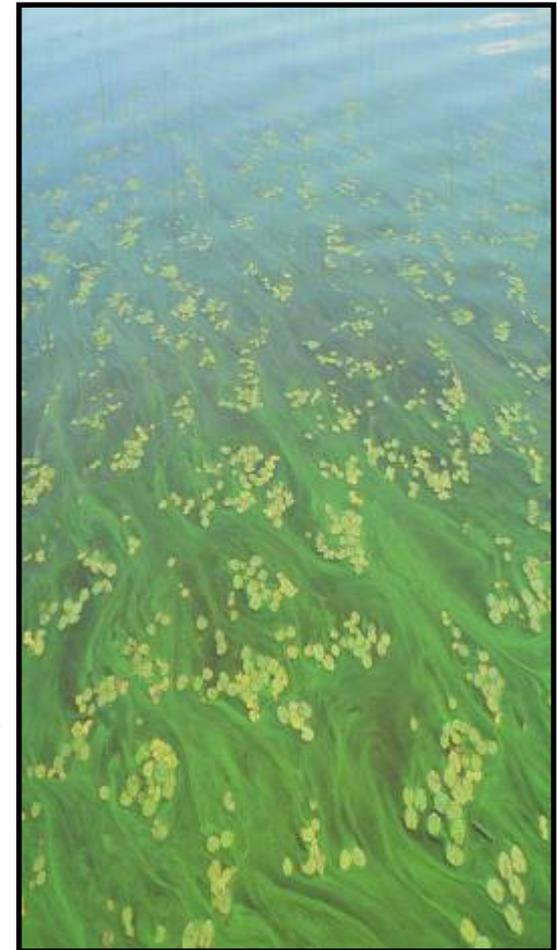
## Key Objectives

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- Meet Lake Okeechobee Total Maximum Daily Loads
- Manage Lake Okeechobee water levels within an ecologically desirable range
- Meet desirable salinity ranges for the St. Lucie and Caloosahatchee Estuaries
- Identify opportunities for alternative surface water supply sources in the watershed

# Water Quality – Defining the Magnitude of the Problem

- Phosphorus TMDL for Lake Okeechobee
  - 140 metric tons 5-year rolling average
  - 35 metric tons attributed to rain and wind
  - 105 metric tons allowable from all surface water inflows
- Phosphorus Load (annual avg)
  - Current analysis 1991–2005 = 514 metric tons
  - Lake Okeechobee Protection Plan update based on 1991–2000 = 433 metric tons
  - Annual Average Phosphorus loading will vary as period of record is updated



## Water Quantity – Defining the Magnitude of the Problem

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- Analyses performed to determine amount of water needed to be stored in watershed to:
  - Improve lake stage management
  - Reduce excess damaging freshwater releases to estuaries
  - While meeting other water related needs
- Analyses indicate there is a breakpoint between 900,000-1.3 million acre-ft
- Plan identifies a water quantity storage goal with an upper ceiling of approximately 1.3 million acre-ft

## Overview of the Plan

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- Water Quality (measures toward meeting 105 metric ton Total Phosphorus TMDL)
  - Source Control
  - Stormwater Treatment Areas
  - Deep Injection Wells
  - Innovative Nutrient Control Technologies
- Water Quantity (measures toward meeting 900,000-1,300,000 ac-ft storage goal)
  - Alternative water storage on public and private lands
  - Storage need could be met by reservoirs and ASR

## Plan Implementation Stages

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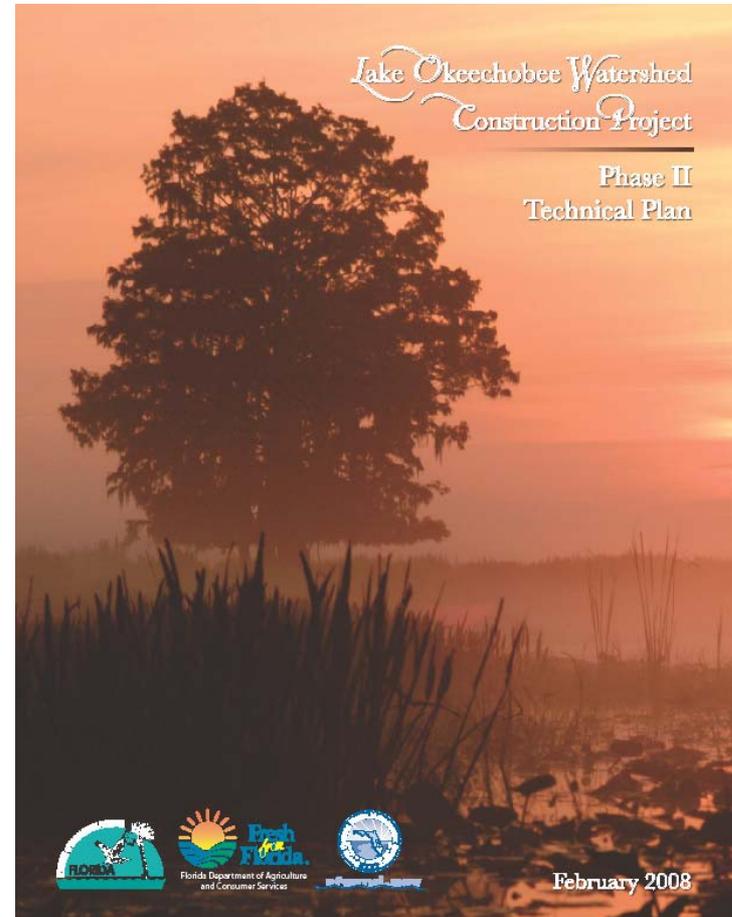
- Initial Implementation Measures
  - Projects initiated from 2008 - 2011
- Mid-Term Implementation Measures
  - Projects initiated 2012 - 2015
- Long-Term Implementation Measures
  - Projects initiated beyond 2015

# Initial Implementation Measures

		Water Quality	Water Quantity
Projects	Agricultural and Urban BMPs and Regulatory Programs	✓	✓
	LOPP Phosphorus Source Control Projects	✓	✓
	Local Government Initiatives	✓	✓
	Florida Ranchlands and Environmental Services Projects	✓	✓
	LOER Alternative Water Storage Projects	✓	✓
	LOER Stormwater Treatment Areas	✓	✓
	CERP ASR Pilots	✓	✓
	CERP Lake Okeechobee Watershed Project	✓	✓
Technology and Model Refinement	BMP Research and Refinement	✓	
	Chemical Treatment Feasibility Study	✓	
	Water Quality Model Development	✓	
	ASR Feasibility- Pilot Cycle Testing, ASR Regional Study, ASR Optimization Analysis		✓
	Hydrologic Model Refinement		✓
	Sub-Watershed Conceptual Planning	✓	✓

# Plan Submittal and Ratification

- Delivered to Legislature on Feb 1, 2008
- No action was taken during session- therefore plan is deemed approved and may be implemented
- Process Development and Engineering process is moving forward



## On-Going Projects

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- Lake Side Ranch STA
- Fisheating Creek Feasibility Study
- Chemical Treatment Pilot Project
- Taylor Creek Algal Turf Scrubber
- Hybrid Wetland Treatment Technology Projects
- Alternative Water Storage Projects/Florida Ranchlands and Environmental Services Projects
- Lake Okeechobee Watershed Water Quality Model Development

## Emerging Issues

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- Legacy Phosphorus
- Tributary Total Maximum Daily Loads (TMDLs)



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**Questions?**

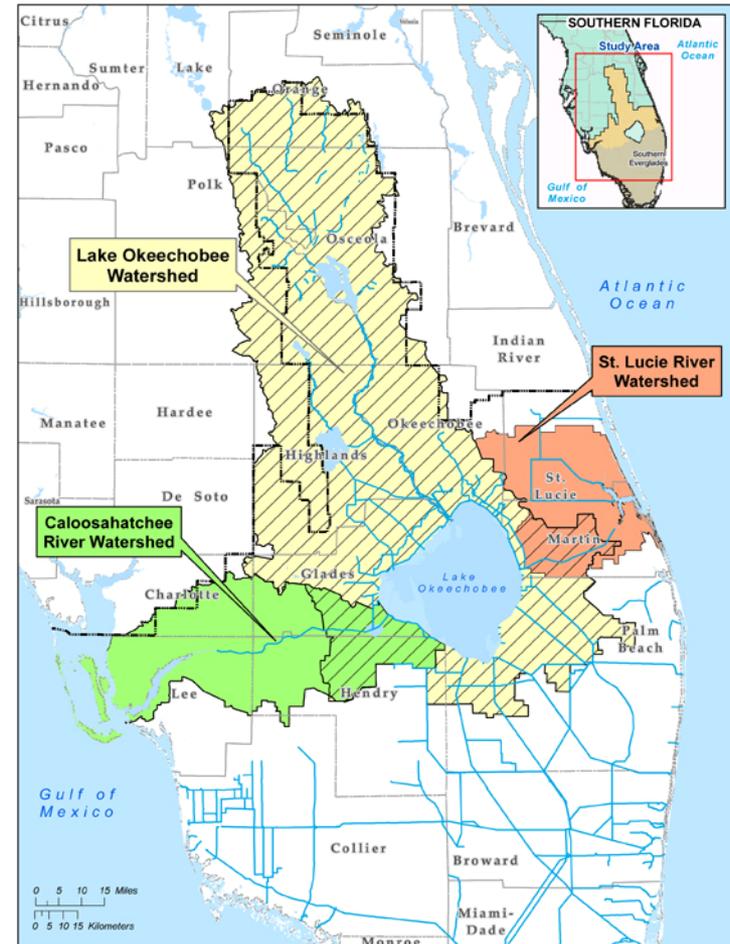
# Rivers Watershed Protection Plans

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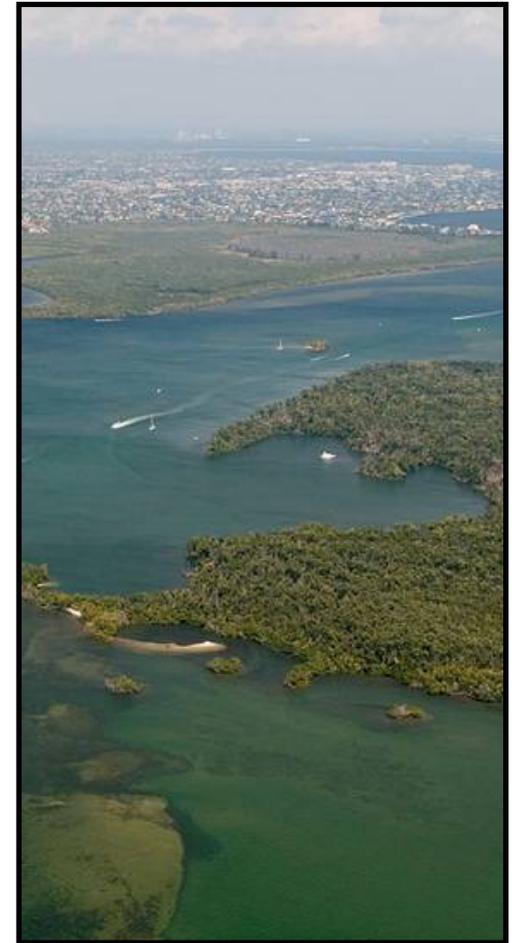
# Northern Everglades and Estuaries 2007 Legislation

- Required development of Caloosahatchee and St. Lucie River Watershed Protection Plans
  - Identify water quality and storage projects
  - Due by Jan 1, 2009
- Included requirements for-
  - Annual Reports
  - Triennial Plan Updates



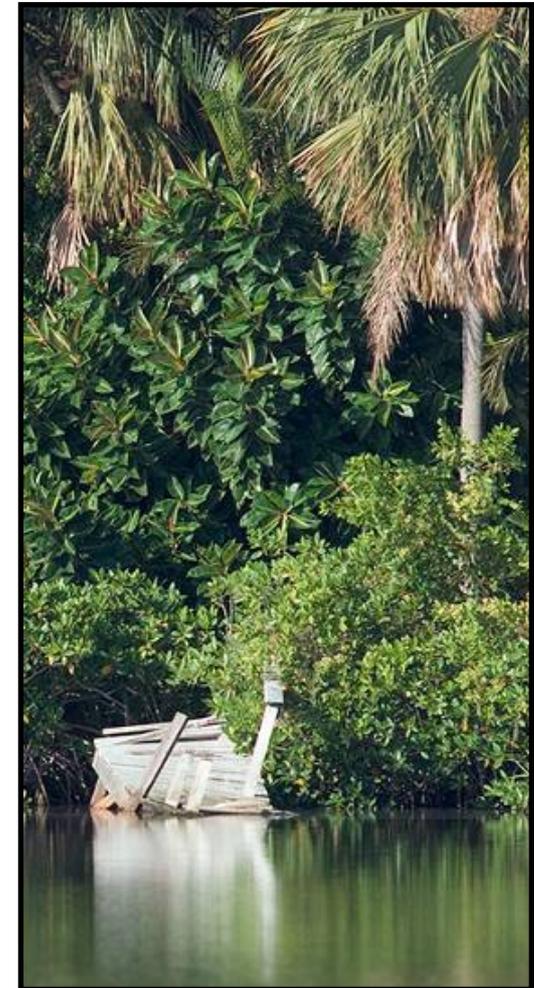
# River Watershed Protection Plan- Objectives

- Nutrient load reductions to achieve adopted Total Maximum Daily Loads
- Reduce frequency and duration of undesirable salinity ranges in estuary, while meeting other water-related needs of the region



# River Watershed Protection Plan - Elements

- Watershed Pollutant Control Program
- Watershed Construction Project
- Watershed Research and Water Quality Monitoring Program



# Preferred Plan Summary

St. Lucie Preferred Plan	Caloosahatchee Preferred Plan
<ul style="list-style-type: none"> <li>• Indian River Lagoon-South Project</li> <li>• BMPS/Regulatory Programs</li> <li>• Additional regional phosphorus treatment in C-23/24 basin</li> <li>• Local quality/quantity projects (e.g., stormwater retrofits; septic conversions; Alternative Water Storage Facilities)</li> </ul>	<ul style="list-style-type: none"> <li>• C-43 West Reservoir</li> <li>• BMPs/Regulatory Programs</li> <li>• Additional storage</li> <li>• Regional water quality projects- emphasis on nitrogen</li> <li>• Local quality/quantity projects (e.g., stormwater retrofits; septic conversions- Lehigh, Cape Coral; Alternative Water Storage Facilities)</li> <li>• Additional watershed monitoring in watershed</li> </ul>
Summary	Summary
<ul style="list-style-type: none"> <li>• ~200,000 ac-ft/yr storage (IRL and Ten Mile Creek)</li> <li>• Nutrient treatment- primarily phosphorus treatment</li> </ul>	<ul style="list-style-type: none"> <li>• ~400,000 ac-ft/yr storage (including C-43 West Reservoir)</li> <li>• Nutrient treatment- primarily nitrogen treatment</li> </ul>

# Plan Implementation Strategy

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- Multiple Phases
  - Phase I - projects initiated 2009-2012
  - Phase II - projects initiated 2013-2018
  - Long Term Implementation Phase - projects initiated beyond 2018

# Caloosahatchee Plan - Phase I (2009-2012)

		Initiated	Completed
<b>Construction Project</b>	Powell Creek Algal Turf Scrubber		
	Alternative Water Storage Facilities- Barron Water Control District		
	Caloosahatchee Area Lakes Restoration (Lake Hicpochee)		
	C-43 Water Quality Treatment Demonstration Project (BOMA)		
	Spanish Creek/Four Corners Environmental Restoration Phase I		
	C-43 West Reservoir		
	Local-Stormwater Projects (e.g., treatment wetlands, conveyance and structural improvements, and stormwater recovery projects)		
	Florida Ranchlands and Environmental Services Projects		
	Farm and Ranchland Protection Program		

# St. Lucie Plan - Phase I (2009-2012)

		Initiated	Completed
Construction Project	Alternative Water Storage Facilities- Indiantown Citrus Growers Association Phase I and II		
	Florida Ranchlands and Environmental Services Projects (Alderman-Deloney complete)		
	CERP-IRL South: C-44 Reservoir/STA		
	CERP-IRL South: Allapattah Complex- Natural Storage and Water Quality Area		
	Alternative Water Storage Facilities-Indiantown Citrus Growers Association- Phase III, Dupuis, Waste Management St Lucie Site, Caulkins		
	Hybrid Wetland Treatment Technology Pilot Project		
	Local-Stormwater Projects (e.g., retention/detention ponds, treatment wetlands, conveyance and structural improvements)		
	Local-Wastewater Projects (e.g., sludge disposal management, sewage treatment and disposal systems)		
	Local- Habitat Restoration (e.g., muck removal, oyster balls)		
	Florida Ranchlands and Environmental Services Projects		
	Farm and Ranchland Protection Program		

## Plans Submittal and Ratification

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- Final Plans submitted to the Legislature on Jan 1, 2009
- If the Legislature takes no action on the plans during the 2009 legislative session, the plans are deemed approved and may be implemented
- The River Watershed Protection Plans will provide the basis for FDEP's Basin Management Action Plan development

## Ongoing Projects

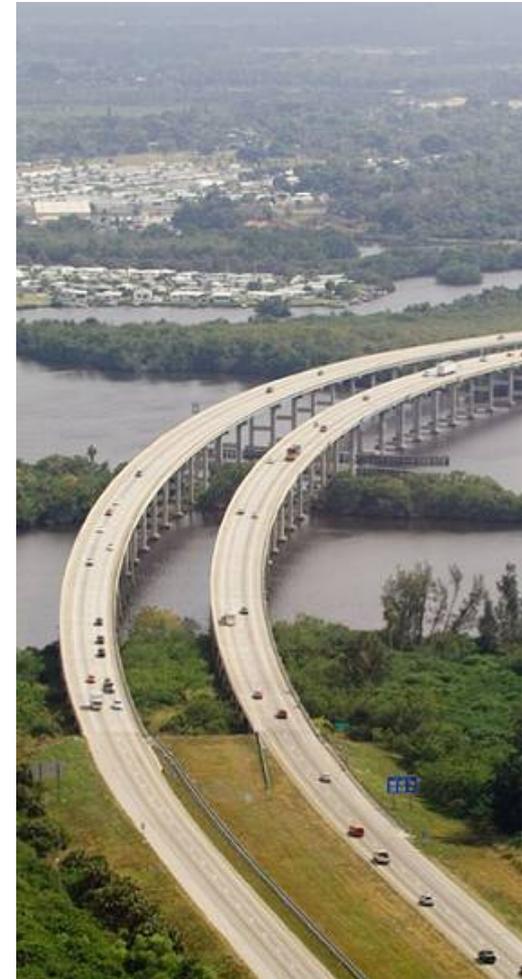
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- C-43 Water Quality Treatment and Testing Facility
- Spanish Creek/Four Corners Phase I
- Powell Creek Algal Turf Scrubber
- 5/5/5 Projects with Martin County
- Hybrid Wetland Treatment Technology Pilot Projects
- Alternative Water Storage Projects/Florida Ranchlands and Environmental Services Projects

## Emerging Issues

- Freshwater and Estuarine Total Maximum Daily Loads (TMDLs) and associated Basin Management Action Plans (BMAPs)
- Nitrogen treatment technologies

Questions?



# Condemnation & Inverse Condemnation Trends

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# Condemnation

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## ■ Two Types

### □ Slow Take

- Title passes at end of jury valuation determination upon payment of monies into court registry (18-24 months)
- Agency can determine not to proceed after jury value determination and only pay land owner's attorney's fees and costs

### □ Quick Take

- Title passes upon initial deposit of appraised value (4-6 months)
- Subsequent jury valuation hearing determines full value (18-24 months)
- No ability to back away

# Condemnation Authority

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- General Legislative
  - Flood Control
  - Water Storage
  - Cure Title Defects
- Specific Legislative
  - C-111/L-31N
  - Kissimmee River
  - Pal Mar
  - Comprehensive Everglades Restoration Project (CERP)
  - Southern Corkscrew Regional Ecosystem Watershed Project (CREW)
  - Ten Mile Creek
  - Water Preserve Areas
    - Palm Beach/Broward only

## District Condemnation Actions

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- District controls timing/number of condemnation filings
  - Used as last resort
  - Based on budget/project needs
  - 25 current actions in 5 project areas

## Inverse Condemnation

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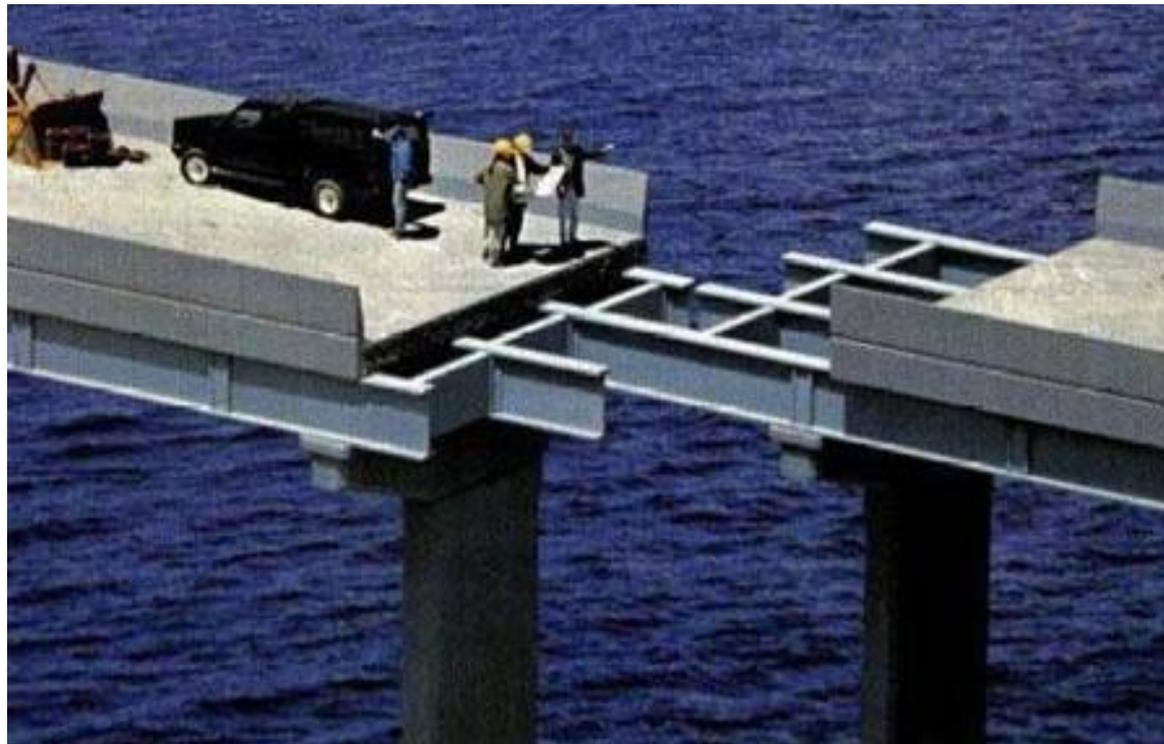
- Land owner asserts taking
  - Physical action
  - Regulatory action
  - “Oppressive Pre-condemnation” action
- Two stages of Inverse
  - Determination as to taking (18-24 months)
  - If taking, final valuation (24-36 months)
- Current Inverse Status
  - 10 active inverse actions
  - Average 3 new filings per year

# Questions?



# Future O&M Costs for Current Construction

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# Future Projects Location - North

## C-23/24 STA

Initial Impact 2010

Operational 2020

## C-44 Reservoir

Initial Impact 2011

Operational 2013

## Lakeside Ranch

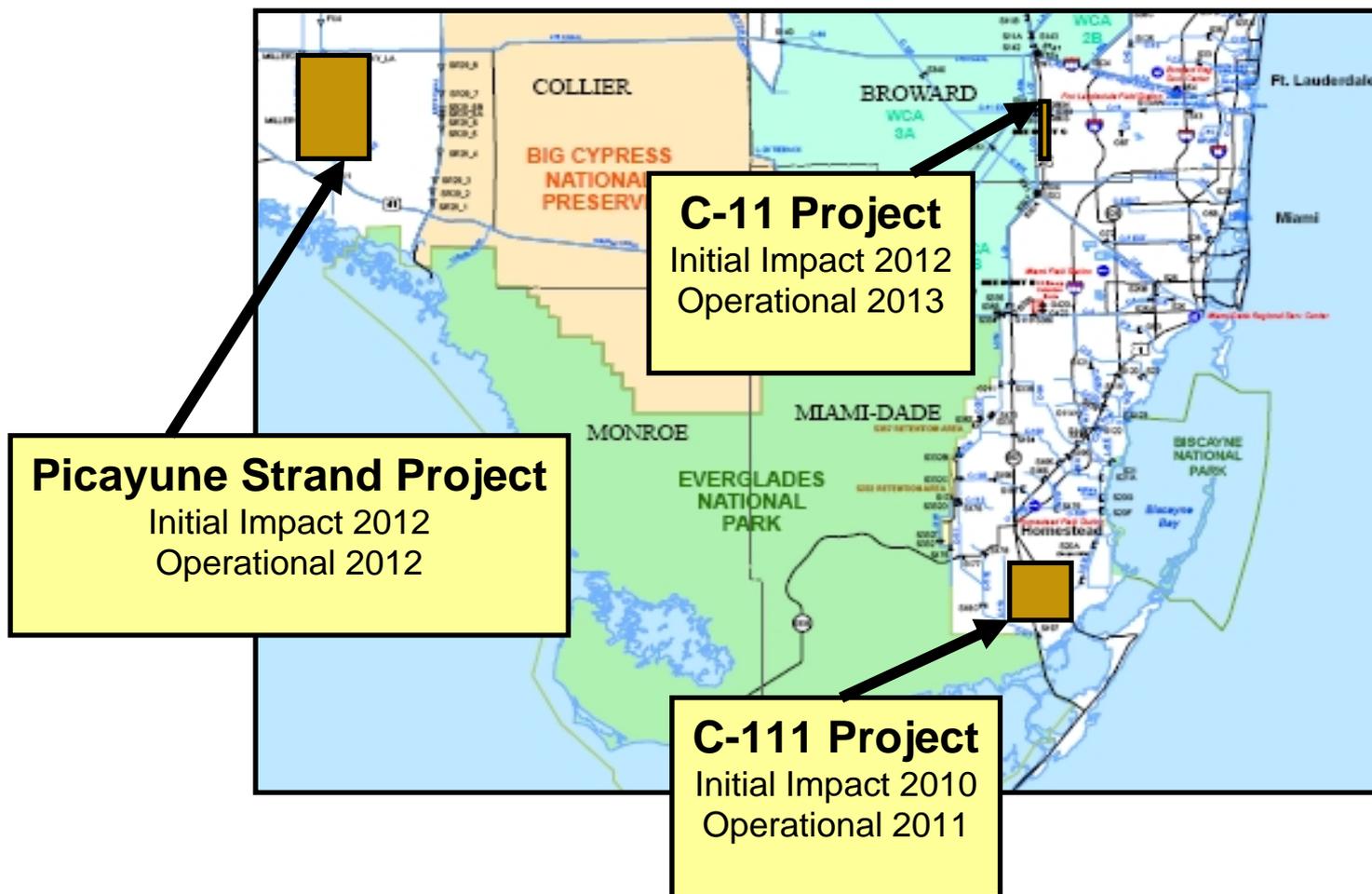
Initial Impact 2010

Operational 2012





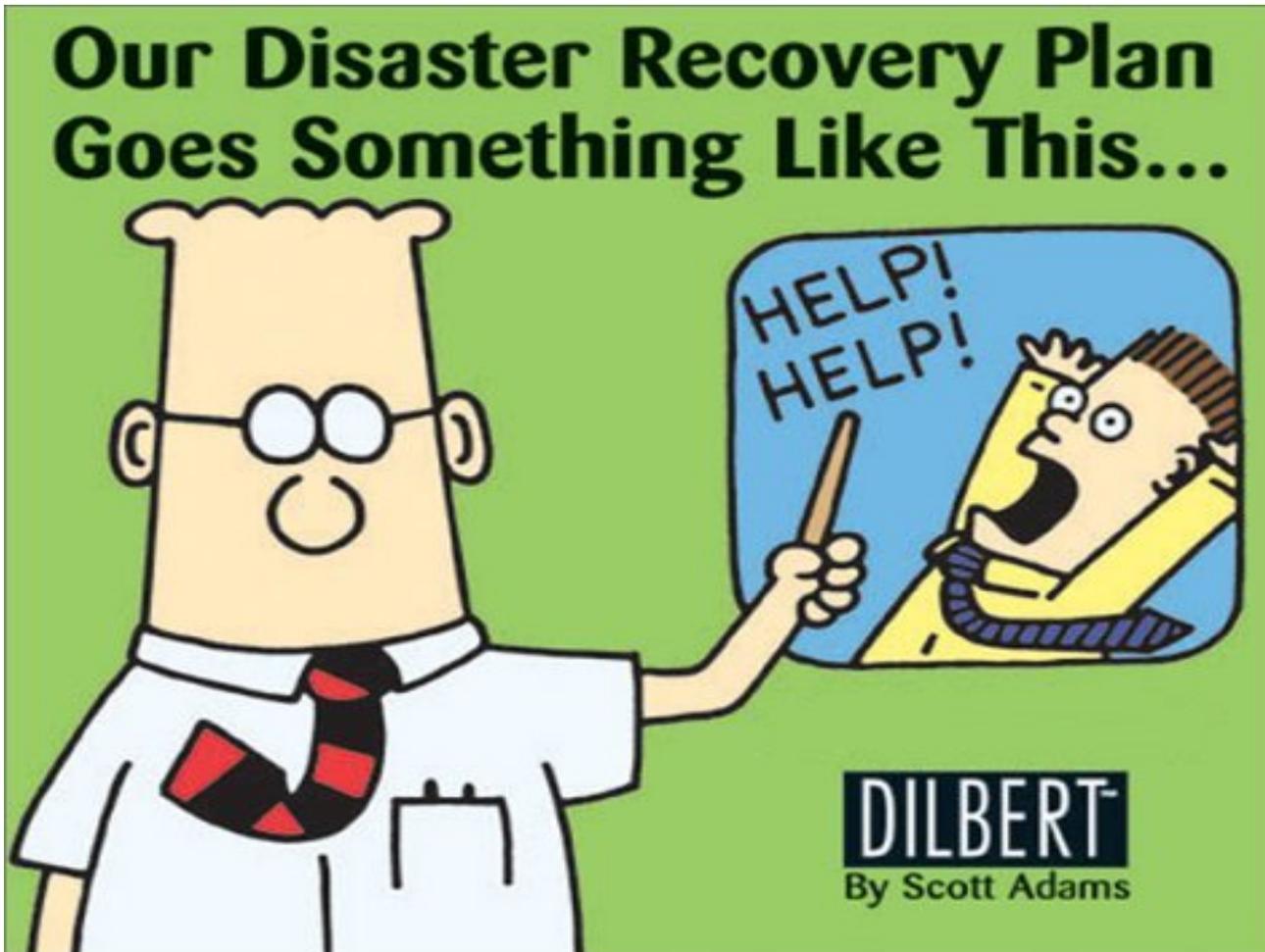
# Future Projects Location - South



# Questions?



# Emergency Reserves



## Purpose of Reserves

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- Address unexpected/unforeseen events
- Offset downturns in revenues
- Provides tax structure stability
- Enhances fiscal integrity & credit ratings
- Ensures orderly operations
- Earmark funds for specific purposes
- Set-aside funds for future spending

## Current Levels

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### Existing Emergency Reserve Level -- \$43.5M

- Economic Stabilization Reserves -- \$25.4M
  - 5% prior year actual ad valorem revenues
  - Major emergencies; not recurring expenditures
- Contingency Reserves -- \$7.7M
  - Unexpected/unforeseen expenditure increases
- Hurricane Capital Projects Reserves -- \$10.4M
  - Storm event clean-up & critical structure repair

# Strategic Priorities



# Priorities - Looking Forward

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- Restore the Everglades by:
  - Acquiring land and planning projects to expand water storage and treatment options south of Lake Okeechobee to revive the River of Grass
  - Advancing construction schedules of existing key projects
  - Implementing the Long-Term Plan to achieve water quality standards
- Protect and restore natural systems in the Northern Everglades (Kissimmee, Lake Okeechobee, Caloosahatchee and St. Lucie watersheds) by increasing storage capacity and water quality treatment
- Refurbish the regional water management system by implementing the 50-year plan
- Meet the current and future demands of water users and the environment by implementing regional water supply plans
- Retain and recruit a high-quality, diverse workforce by continuing to recognize the value of employees

# Expense Issues

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- Sea Level Rise
- Levee Standards
- Everglades Construction Commitments
- Total Maximum Daily Loads (TMDLs)
- Lake Okeechobee Watershed Construction Project Phase II Technical Plan
- Rivers Watershed Protection Plans
- Condemnations & Inverse Condemnations
- Future Operations & Maintenance Costs
- Emergency Reserves

# Board Discussion/Direction



## Next Steps

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- **Feb – May:** Strategic Planning
- **April – June:** Staff Develops Budget & Plan
- **June:** Draft FY2010 Work Plan and Budget
- **July:** Adoption of Proposed Millage Rates
- **August:** Submit Proposed Budget to Governor's Office, FDEP and Legislature
- **August – September:** Capitol Coordination
- **September:** Budget Adoption Public Hearings

