River of Grass Acquisition Update
Water Resources Advisory Commission
May 7, 2009
Background

Proposed amendments to purchase contract & lease agreement

Legal update

Financing update

Restoration project planning

Next steps
  • Governing Board action
  • Contract, budget, financing milestones
  • Key upcoming dates
Everglades Land Acquisition

Background

- **June 2008**: Governor announces historic transaction to acquire 180,000 acres of land from U.S. Sugar Corporation for Everglades restoration
- **December 2008**: After extensive due diligence, Governing Board approves $1.34B purchase contract and lease agreement
- **April 1, 2009**: Governor announces proposal to revise framework for acquiring land
- **April 9, 2009**: Governing Board directs staff to negotiate amendments to existing purchase & sale contract and lease agreement
Everglades Land Acquisition
Goals of Revised Framework

- Preserve intent of original acquisition
- Affordable
- No new taxes
- Sustain agriculture
- Minimize impact to local communities
Purchase Contract & Lease Agreement

Overview
Ruth Clements
Director, Land Acquisition
Overview

- Amended terms of existing purchase and sale contract and lease agreement
- Initial purchase of ~73,000 acres
- $536 million purchase price
- Options to acquire remaining 107,000 acres during first ten years
- Amended agreements subject to review and approval by District and U.S. Sugar Boards
Closing to occur 90 days after bond validation, with an outside deadline for bond validation of March 31, 2010

Closing subject to affordability, bond validation and financing

Buyer has until May 14, 2009 to accept and execute
Purchase & Sale Agreement: Proposed Revised Terms
Acquisition Lands

- 73,000 acres* for initial acquisition:
  - 33,000 acres of citrus
  - 40,000 acres of sugarcane
- County breakdown:
  - Palm Beach ~ 27,000 acres
  - Glades ~ 3,500 acres
  - Hendry ~ 42,500 acres

*Approximate acreage only
-$536$ million purchase price
  - Slightly below appraised value
  - Based on December bulk discount values
  - Exclusive 3 year option valued at $50$ million
District has options to purchase the remaining 107,000 acres for up to 10 years:

- Exclusive 3-year option to purchase “option property” at a fixed price of $7,400 per acre
  - U.S. Sugar could sell the option property to a third party but subject to the District’s option
- A consecutive 7-year non-exclusive option to purchase “option property” at Fair Market Value
  - U.S. Sugar could sell all or a part of the option property subject to a Right of First Refusal by the District
# Amended Purchase Contract

## Purchase Options

<table>
<thead>
<tr>
<th>Exclusive</th>
<th>Non-Exclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 3 years</td>
<td>Term</td>
</tr>
<tr>
<td>107,000</td>
<td>Acres</td>
</tr>
<tr>
<td>$7,400/acre</td>
<td>Price</td>
</tr>
<tr>
<td>With Option Intact</td>
<td>Ability to Sell</td>
</tr>
<tr>
<td>If longer than 3 years, 2 year termination notice; no penalty payment</td>
<td>Ability for U.S. Sugar to sub-lease</td>
</tr>
</tbody>
</table>
Memorandum regarding Right of First Refusal and Option will be recorded against property in appropriate counties.
Environmental Matters

• 130 percent of the estimated remediation costs of 180,000-acre acquisition pro-rated to 73,000 acres
  • U.S. Sugar to provide the District with $8.6 million

“Evergreen” General Escrow Fund

• To be established by U.S. Sugar for any additional undiscovered environmental impacts and lease obligations
  • Pro-rated to $4 million
Amended Purchase Contract
Environmental Assessment

Legend
- Proposed Acquisition = 70,021 Acres ±
- Eco-Risk Category 1
- Eco-Risk Category 2
- Eco-Risk Category 3

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Affordability

“Buyer is satisfied that no events have occurred since the Effective Date, and no conditions existed as of the Effective Date which were unknown to Buyer, that would cause the amount of debt and debt service necessary to finance this transaction to adversely affect the financial capacity of Buyer to continue to fulfill its statutory, contractual and other legal obligations and mandates based on its historical and projected operations.”
Amended Purchase Contract
Conditions Precedent

- **Bond Validation**
  - Validation occurred and COPs issued at interest rate not to exceed 7.5%, final maturity of 30 years, and upon terms substantially similar to previous COPs issuance

- **Representation**
  - District expects to be able to pay debt service on $536 million issuance of COPs (7.5% interest rate; 30 year maturity)
Amended Purchase Contract

Other Provisions

- "Go Shop" Provision
  - U.S. Sugar may entertain other offers for the land up until bond validation
  - Termination Fee of $16 million

- Rail Relocation Agreement
  - Finalize prior to closing
  - Allows for relocation of rail systems within proposed footprints
Lease Agreement: Proposed Revised Terms

Reviving
THE river of grass

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Amended Lease Agreement

Overview

- Lease conditions apply to 73,000 acres
- 7-year lease with provisions to extend up to 20 years
- U.S. Sugar required to:
  - Pay all property taxes and assessments
  - Control the land for exotic and invasive plants
  - Implement enhanced Best Management Practices
- Lease payment in all years on gross sugar cane acreage
### Everglades Land Acquisition

#### Proposed Lease Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Duration</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial</td>
<td>7 years</td>
<td>$150/acre</td>
</tr>
<tr>
<td>First Renewal</td>
<td>3 additional years</td>
<td>$150/acre</td>
</tr>
<tr>
<td>Second Renewal</td>
<td>10 additional years</td>
<td>Fair Market Value</td>
</tr>
</tbody>
</table>

- If District cannot acquire option property due to U.S. Sugar default, rent changes to Fair Market Value and lease can terminate at end of initial or first renewal term as applicable.
Amended Lease Agreement
Right to Terminate

- U.S. Sugar may terminate lease as to **entire** property with one year notice beginning January 2011
  - 2012 – earliest vacation; rolling termination
- U.S. Sugar can terminate as to **portion** of sugar lease with one year notice beginning June 2014
- District can terminate citrus lease by providing notice by June 30, 2009; U.S. Sugar will begin rolling termination as harvest begins in November
  - All citrus vacated by June 30 of following year
Rent

- $150/acre on all cane acres (gross acres)
- Fair Market Value begins at year 10 or when option exercised
  - Rent escalates at Producer Price Index and resets at Fair Market Value in years 13 and 16
### Everglades Land Acquisition “Take Down” Schedule

<table>
<thead>
<tr>
<th>Option Exercised</th>
<th>Option Not Exercised</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Citrus (33,000 acres)</td>
<td>Same</td>
</tr>
<tr>
<td>10,000 Cane Acreage (First 10 years)</td>
<td>Same</td>
</tr>
<tr>
<td>10,000 Cane Acreage (Second 10 years)</td>
<td>Same</td>
</tr>
<tr>
<td>~3,000 Cane Acreage (First 7 years)</td>
<td>Same</td>
</tr>
<tr>
<td>All construction lands available</td>
<td>During 20 year lease, 77% of lands available for construction – 17,000 acres remain under lease</td>
</tr>
</tbody>
</table>

During 20 year lease, 77% of lands available for construction – 17,000 acres remain under lease.
### Everglades Land Acquisition Exchanges

<table>
<thead>
<tr>
<th>Option Exercised</th>
<th>Option Not Exercised</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,000 acres for Central Agricultural Area</td>
<td>Counts as part of 10,000 acres</td>
</tr>
<tr>
<td>L-8 lands for water quality protection for S-5A Basin</td>
<td>Counts as part of 10,000 acres</td>
</tr>
<tr>
<td>After 10 years, any lands for property within designated area</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Questions?
Bond validation hearings:
- Commenced February 6
- Continued March 16-18
- Status Conference held April 8

Interveners included:
- New Hope Sugar and Okeelanta Corporation
- Miccosukee Tribe of Indians
- Dexter Lehtinen
- Concerned Citizens of the Glades
- Jupiter Island Garden Club, Inc.
Status conference held on April 8

Judge granted Motions to hold case in abeyance until after May Governing Board

Court Calendar Call on May 15 to schedule a hearing for the Court to conduct evidentiary hearing on the elements of revised transaction

Two-day hearing will be scheduled between May 26 and July 24 based on availability of court time and status of other cases scheduled to be tried during this period
Judge stated ruling will be based on determination of whether proposal meets tests articulated by the Florida Supreme Court:

- District’s legal authority
- Legal (public) purpose of the borrowing
- Compliance with the law (Chapter 75, F.S. Bond Validation Statute)
Appeals:

• Each party has 30 days following Final Judgment to file an Appeal

• Appeal is directly to Florida Supreme Court

• Validation is not final until all Appeal periods have run
New Hope Sugar and Miccosukee Tribe appealed District’s decision to deny administrative challenges to purchase contract

New Hope Sugar’s Initial Brief due to Fourth District Court of Appeal by June 12, 2009

Tribe’s Initial Brief due to Third District Court of Appeal by June 10, 2009

District’s Answer Briefs due June 30 & July 2, 2009

Appellant’s Reply Briefs due July 20 & July 22, 2009

District’s Cross-Reply Briefs due August 10 & 11, 2009
Questions?

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Financing
Doug Bergstrom
Budget Director

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Certificates of Participation

- Revenue bond that government agencies may issue to finance the undertaking of any capital, land acquisition or other project for purposes permitted by the Florida Constitution and Florida Statutes

Supported by participation through ownership of a “share” of debt service payments made by a government agency
Certificates of Participation

- Validation
- Rating agencies
- Market financing plan; includes preliminary offering statement
- Go to market
- Bond closing
Financing
Recent Developments

- All municipal funds, including those that report their figures monthly, have attracted $14.47 billion in inflows since the beginning of the year.

- The inflows this year represent a turnabout from the drainage of cash from municipal funds at the end of 2008.

- In the week of April 27th new-issue market, a total of $6.28 billion was estimated to be coming to market, led by a $2 billion offering from Florida’s Citizens Property Insurance Corp.

- One week earlier, a total of $12.67 billion came to market, highlighted by heavy issuance of Build America Bonds from some of the market’s largest issuers, including $5.23 billion of BABs from California.
Moody’s has put Florida on credit watch.

Moody’s investors service, one of three major rating agencies, became first rating agency to place state’s ratings on watch for possible downgrade.

Overall economic distress instead of individual issuer-specific problems were to blame for most of the rating revisions.

The first three months of 2009 also was first time all sectors – including state and local governments, housing, health care, and higher education – received a negative outlook by the agency.
Next Steps
Financing Timeline

- **Early Validation**
  - May 15: Court Calendar Call, Validation Hearing
  - May 26–Jul 24: Validation Hearing
  - Aug/Sept/Oct: Rating Agency/Insurer & Banks
  - Oct: Early Bond Validation
- **Late Validation**
  - Jan/Feb: Rating Agency/Insurer & Banks
  - Feb: Bond Closing Date
  - Mar 31: Late Bond Validation
  - Apr/May: Bond Closing Date
  - June 29: Outside Closing Date
  - June 2010

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Questions?

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Phase I Planning – Conceptual Configurations Development
Tommy B. Strowd, P.E.
Asst. Deputy Executive Director, Everglades Restoration
Phase I Planning
Presentation Summary

- Review stakeholder input process
- Review stakeholder conceptual configurations
- Next steps
- Stakeholder involvement – Richard. A. Pettigrew
“Determine the range and general location of acreage needed north of the Everglades Protection Area for storing, treating, and delivering the water flows needed to restore the Everglades, while enhancing ecological values in Lake Okeechobee and the northern estuaries.”
Phase I Planning
Conceptual Configurations Development

- Provide stakeholders with an opportunity to develop Conceptual Configurations
  - Utilize information discussed during previous workshops that may be relevant
    - Maps/Land
    - Water Quality
    - Modeling
    - Economic Impacts
    - Costs
  - Generate discussion regarding what aspects of the configuration are most important to the team/authors
    - e.g., feature type, location, or operations
Phase I Planning
System-Wide Approach

Program Overlap

Northern Everglades Program
River Watershed Protection Program
CERP
EFA - Long Term Plan

Northern Everglades Storage
C-44
Lake Okeechobee
EAA Storage
EAA Treatment
Everglades needs

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For the ROG Phase-1 Configuration Planning exercise (March 31 – April 1), 5 key performance measure summary maps were developed to provide general guidance for sizing of storage features north & south of Lake Okeechobee:

1. Percent Reduction in Lake-Triggered High Discharges to the Northern Estuaries
2. Lake O Stage Envelope - Standard Score Above
3. Everglades Demand Target Delivered – Standard Score
4. Dry Season Everglades Demand Target Delivered – Standard Score
5. Annual Average Flow to the Everglades – for use in sizing south treatment area
Performance Maps provide guidance for selecting storage size combinations to achieve desired levels of performance.

Results from RESOPS Model simulations of specific configurations will consider more detailed specifications and performance may vary from the general guidance provided here.

Note:
Each of the 400 points used to create this map represents an optimized operation of the corresponding storage configurations. Approx. 350 RESOPS model simulations were performed for each storage configuration.
Preliminary Estimates of Additional Treatment Area. Assumes the Reservoir Provides TP Treatment.

<table>
<thead>
<tr>
<th>Additional Flow to Everglades (AF/yr)</th>
<th>Preliminary Estimate of Additional Treatment Area (acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assumed Lake TP (ppb)</td>
</tr>
<tr>
<td>50,000</td>
<td>2,100</td>
</tr>
<tr>
<td>100,000</td>
<td>3,000</td>
</tr>
<tr>
<td>150,000</td>
<td>3,800</td>
</tr>
<tr>
<td>200,000</td>
<td>4,600</td>
</tr>
<tr>
<td>250,000</td>
<td>5,300</td>
</tr>
<tr>
<td>300,000</td>
<td>6,100</td>
</tr>
<tr>
<td>350,000</td>
<td>6,800</td>
</tr>
<tr>
<td>400,000</td>
<td>7,500</td>
</tr>
<tr>
<td>450,000</td>
<td>8,200</td>
</tr>
<tr>
<td>500,000</td>
<td>8,800</td>
</tr>
</tbody>
</table>
- Draw final sketch
  - Once team developed the proposed configuration, drew a final sketch of the configuration on the table-top base map (2’x3’)

- Complete the documentation
  - Information necessary to evaluate the configurations
  - Focus on communicating the aspects of the configuration that were most significant/important to the team/authors
Phase I Planning
Conceptual Configurations Development & Evaluation

- 9 proposed team configurations
- Each configuration will be evaluated for its costs, benefits, and impacts
- Each configuration assigned an engineer who developed design assumptions for configuration based on interaction/feedback from stakeholder team
- Design assumptions were used to assist with modeling and costing of each configuration
- For each evaluation category, an internal team was formed to evaluate all configurations for that category
  - (e.g. real estate cost team; benefits team)
- In most cases, evaluated the details of each individual component of a proposed configuration as well as the overall configuration

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Evaluation Process Categories

- Physical Features
- Footprint
  - Land Ownership
  - Land Use
- Performance / Benefits
  - Hydrology (RESOPs)
  - Water Quality
  - Other
- Cost Impacts
  - Remediation
  - Real Estate
  - Construction
  - Operation & Maintenance
- Potential Project Impacts to Sugar Production Economics
Staff development of evaluation data continues…

Will be discussing today:
- Conceptual configurations design results
- Preliminary Performance/Benefits
  - Hydrology (RESOPS)

To be discussed at future meetings:
- Water Quality
- Cost Estimates
- Economic Impacts
- Other
General Measures (used to develop performance maps)

- Reduction in Lake-Triggered High Discharges to the Northern Estuaries - % Reduction
- Lake Okeechobee Stage Envelope - Standard Score Above
- Everglades Demand Target Delivered - Standard Score
- Dry Season Everglades Demand Target Delivered - Standard Score
- Increase in Mean Annual Flows to the Everglades (k-af/yr)
Performance Measures
Additional Performance Measures Considered

- Lake Okeechobee
  - Stage Statistics (% of time <10ft, <11ft, >15ft, >17ft, inside envelope)
  - Stage Envelope
  - Water Budget and Annual Flows
  - Stage Duration Curves and Stage Hydrographs

- Caloosahatchee and St. Lucie Estuaries
  - Distribution of Mean Monthly Flows
  - Frequency of High Discharge Events
  - LO Regulatory Discharges in Excess of Estuary Demand
Performance Measures
Additional Performance Measures Considered

- **Water Supply**
  - LOSA Supply and Demand not delivered
  - LOSA Supply and Demand not delivered for average of 7 largest drought years

- **Everglades**
  - Average Annual Flows
  - Average Dry Year Flows
  - Seasonality of Flows
  - Inter-Annual Variability of Flows

- **Water Quality**
  - Assumed Lake O Discharge Water Quality
  - Treatment Area Sizing Check
### Phase I Planning
Symbols in Configurations

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>SD</td>
<td>Storage – Deep – Above Ground (Reservoir, Major Impoundment)</td>
</tr>
<tr>
<td>SS</td>
<td>Storage – Shallow (Minor Impoundment)</td>
</tr>
<tr>
<td>FTS</td>
<td>Flow-ways – Managed for Conveyance, Treatment &amp; Storage (dark green – wet year round; light green – allowed dry)</td>
</tr>
<tr>
<td>LT</td>
<td>Lake Technology Ecoreservoir Lake</td>
</tr>
<tr>
<td>LT_E</td>
<td>Lake Technology Ecoslough</td>
</tr>
<tr>
<td>DS</td>
<td>Storage – Dispersed</td>
</tr>
<tr>
<td>STA</td>
<td>Stormwater Treatment Area</td>
</tr>
<tr>
<td>WM</td>
<td>Wetlands – Managed Aquatic Plant Systems</td>
</tr>
</tbody>
</table>

[Link to website](sfwmd.gov/riverofgrass)
Utilize the performance charts to achieve large reductions in Lake-triggered high discharges to the northern estuaries while maximizing storage north of Lake Okeechobee and maximizing storage and conveyance features south of Lake Okeechobee to meet the Caloosahatchee minimum flow level and dry season Everglades demand targets.
Conceptual Configuration
Estuary Driven Everglades Restoration

North Deep Storage
1,000,000 ac-ft

Flowway (Dry)
North Features
- Five 200,000 ac-ft compartments; 15’ depth, 75,000 acres

South Features
- 591,024 ac-ft storage; 87,712 acres; 4 compartments
- 44,381 acres treatment; 15 compartments
### Conceptual Configuration
**Estuary Driven Everglades Restoration**

<table>
<thead>
<tr>
<th>Estuaries-High Discharges (% reduction)</th>
<th>Base (Current Conditions)</th>
<th>Target</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NA (84 months)</td>
<td>95%</td>
<td>96% (3 months)</td>
</tr>
<tr>
<td>Lake O-Stage Envelope (Std Score Above)</td>
<td>79%</td>
<td>87%</td>
<td>83%</td>
</tr>
<tr>
<td>Everglades- Demand Target (Std Score)</td>
<td>29%</td>
<td>93%</td>
<td>98%</td>
</tr>
<tr>
<td>Everglades- Dry Season Demand Target (Std Score)</td>
<td>42%</td>
<td>95%</td>
<td>98%</td>
</tr>
<tr>
<td>Increased Annual Average Flow to Everglades (kaf/yr)</td>
<td>NA (1,380 kaf)</td>
<td>380</td>
<td>548</td>
</tr>
</tbody>
</table>
Utilize natural, vegetated flow-ways to store and treat water prior to discharging into the Everglades. Mimic historic sheet flow as much as possible.

Provide storage north of Lake Okeechobee to reduce harmful discharges to the estuaries and help maintain environmentally healthy lake levels.

Provide STA’s at Lake Hicpochee and Disston Island in order to improve water quality in the Caloosahatchee River.
North Deep Storage
550,000 ac-ft

Flowway (Wet)

New canals for conveyance of treated water to WCAs (exist. canals remain)
Conceptual Configuration
Everglades River of Grass Northern Expansion

- North Features
  - 550,000 ac-ft; 10’ depth preferred, 15’ maximum depth; 41,250 acres

- South Features
  - 551,205 ac-ft; three flow-ways (expected to provide treatment); 0.5-3’ depth; 204,150 acres; no compartments

- West Features
  - Two STAs (Disston Island and Hicpochee); 7,650 acres

*The authors prefer to utilize 10’ maximum depth for the proposed reservoirs, if the additional land necessitated by that depth could be acquired. Recognizing potential limitations to land acquisition, they are willing to utilize the 15’ depth if necessary.
| Conceptual Configuration | Everglades River of Grass Northern Expansion |

<table>
<thead>
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<th>Target</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estuaries-High Discharges (% reduction)</td>
<td>NA (84 months)</td>
<td>NS</td>
<td>77% (19 months)</td>
</tr>
<tr>
<td>Lake O-Stage Envelope (Std Score Above)</td>
<td>79%</td>
<td>NS</td>
<td>80%</td>
</tr>
<tr>
<td>Everglades- Demand Target (Std Score)</td>
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<td>83%</td>
</tr>
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<td>Everglades- Dry Season Demand Target (Std Score)</td>
<td>42%</td>
<td>NS</td>
<td>80%</td>
</tr>
<tr>
<td>Increased Annual Average Flow to Everglades (kaf/yr)</td>
<td>NA (1,380 kaf)</td>
<td>NS</td>
<td>221</td>
</tr>
</tbody>
</table>
Utilize above-ground water storage and treatment features intended to mimic a natural setting to a greater degree than CERP Standard Reservoirs and STA’s. 12:1 vegetated variable side slopes are utilized to provide more natural aesthetics.

Features are intended to be open for recreational uses such as hiking, angling, birding and hunting. An increase in storage of water for Everglades deliveries and decrease in harmful discharges to estuaries is expected, although no specific targets for these parameters are dictated by this configuration.

Provide storage north of Lake Okeechobee to reduce harmful discharges to estuaries and help maintain environmentally healthy lake levels.

Provide storage at Disston Island to further reduce harmful discharges to the Caloosahatchee River.
Conceptual Configuration
Chain of Lakes

North Deep Storage
500,000 ac-ft
Chain of Lakes
Landform Sections

EcoSlough
ECO-SLOUGH - 2-3 FT Water Depth
Stormwater Treatment Area Naturalistic Form; (includes as storage)

RIVER of GRASS
Grade For Higher Nutrient Removal - Diocesan reducers and sediment
All grades determined with validated scientific analysis

3 - 5 Ft. Ht. EcoSlough Landform Section
Not to Scale; Vertical Elevation Exaggerated

EcoReservoir - Lake
LAKE (naturalistic design created/lakes with terrain, using disturbed sites; storage provided as water supply in dry times)

LITTORAL (width changes into lake)

TRAIL (suitable for maintenance)

LANDFORM (10' - 15')
Above Natural Grade and Habitat Restoration (50% Generation Planted)

BIO LAYER (250 Generations Habitats)

DRAFT

Shared Inspection Canal and Road - in some instances separate facilities are desirable, all canals are to appear "check-like" with habitat restoration

Typical EcoSlough
(River of Grass)

Typical EcoReservoir
(Blue Cypress Lake)

Affordable Phases
Lower Construction and Operations Costs
Carbon Sequestration; Energy Efficiency
Habitat Restoration
Ecotourism and Social Gains
Agricultural Pollution Mitigation
High-level Water Quality

EcoReservoir Lake Storage - provides 8 of water storage in configurations that include large and small areas
where local infrastructure integrates the landscape. Provides greater than 50% of the storage of larger 15' depth concrete reservoirs and substantially less cost and more tourism benefits including flood protection. The design allows the containment of the top 2 feet of polluted agriculture soil within the landform and associated areas.

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Conceptual Configuration
Chain of Lakes

- **North Features**
  - 500,000 ac-ft; series of interconnected above-ground lakes with 12:1 vegetated side slopes; 6’ maximum depth; 92,000 acres

- **South Features**
  - 483,100 ac-ft; series of interconnected above ground lakes with 12:1 vegetated side slopes; 6’ maximum depth; 113,600 acres; 48,520 ac-ft of additional storage in an “Ecoslough”, which consists of a shallow, vegetated area that stores and treats water; 26,685 acres

- **West Features**
  - 18,000 ac-ft; above-ground lake with 12:1 vegetated side slopes, 6’ maximum depth; 4,400 acres
<table>
<thead>
<tr>
<th>Conceptual Configuration</th>
<th>Chain of Lakes</th>
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<td>NS</td>
<td>490</td>
</tr>
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</table>
Florida Crystals
Sam Poole, Galen Miller

- Provide system enhancements to benefit the Everglades while minimizing community impact.
- Enhancements will reduce harmful discharges to the estuaries and route additional water to the Everglades at a more affordable cost that will allow funding for completion of other CERP and Northern Everglades projects.
Conceptual Configuration
Florida Crystals

North Dispersed Storage
500,000 ac

Flowway (Dry)
- North Features
  - 500,000 acres distributed storage; 0-2’ operating depth

- South Features
  - 180,000 ac-ft flow-way; 4’ maximum depth; 45,000 acres
  - 32,000 acres STA (Talisman) 0.5-4’ depth

- East Features
  - 14,000 acres effective treatment area (L-8) 0.5-4’ depth
<table>
<thead>
<tr>
<th>Description</th>
<th>Base (Current Conditions)</th>
<th>Target</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estuaries-High Discharges (% reduction)</td>
<td>NA</td>
<td>90%*</td>
<td>76%</td>
</tr>
<tr>
<td></td>
<td>(84 months)</td>
<td></td>
<td>(20 months)</td>
</tr>
<tr>
<td>Lake O-Stage Envelope (Std Score Above)</td>
<td>79%</td>
<td>77%*</td>
<td>82%</td>
</tr>
<tr>
<td>Everglades- Demand Target (Std Score)</td>
<td>29%</td>
<td>NS</td>
<td>74%</td>
</tr>
<tr>
<td>Everglades- Dry Season Demand Target (Std Score)</td>
<td>42%</td>
<td>NS</td>
<td>73%</td>
</tr>
<tr>
<td>Increased Annual Average Flow to Everglades (kaf/yr)</td>
<td>NA</td>
<td>NS</td>
<td>349</td>
</tr>
<tr>
<td></td>
<td>(1,380 kaf)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*implied performance from RESOPS simulation provided by stakeholder
Provide storage and treatment components that will meet performance targets of 90%-95% for Lake Okeechobee discharges and Everglades water delivery while avoiding interference with the proposed inland port facilities.
Conceptual Configuration
Restoration Plus Employment

North Deep Storage
300,000 ac-ft
Conceptual Configuration
Restoration Plus Employment

- **North Features**
  - 300,000 ac-ft deep storage; 15’ depth; 22,500 acres

- **South Features**
  - 900,000 ac-ft deep storage; 12’ depth, 83,000 acres
  - 18,000 acres STA (Talisman) 0.5-4’ depth
<table>
<thead>
<tr>
<th>Conceptual Configuration Restoration Plus Employment</th>
<th>Base (Current Conditions)</th>
<th>Target</th>
<th>Results</th>
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</thead>
<tbody>
<tr>
<td><strong>Estuaries-High Discharges (% reduction)</strong></td>
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<td>95%</td>
<td>95%</td>
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<td></td>
<td>(84 months)</td>
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<tr>
<td><strong>Lake O-Stage Envelope (Std Score Above)</strong></td>
<td>79%</td>
<td>84%</td>
<td>83%</td>
</tr>
<tr>
<td><strong>Everglades- Demand Target (Std Score)</strong></td>
<td>29%</td>
<td>93%</td>
<td>96%</td>
</tr>
<tr>
<td><strong>Everglades- Dry Season Demand Target (Std Score)</strong></td>
<td>42%</td>
<td>91%</td>
<td>96%</td>
</tr>
<tr>
<td><strong>Increased Annual Average Flow to Everglades (kaf/yr)</strong></td>
<td>NA</td>
<td>370</td>
<td>550</td>
</tr>
<tr>
<td></td>
<td>(1,380 kaf)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Establish a flow-way connecting Lake Okeechobee and Water Conservation Area 3A maximizing gravity flow and utilizing existing structures and newly acquired land.

Includes significant storage north and south of the Lake to decrease estuary damaging discharges and to meet 90% dry season water demand for the Everglades.

Includes a small flow-way and additional treatment capacity in the S5A Basin for treatment of water to be delivered to the Refuge.
North Deep Storage
650,000 ac-ft

Flowway (Wet)
Conceptual Configuration
Marshall Plan Element 6

- North Features
  - 650,000 ac-ft storage; 15’ max depth; 48,750 acres

- South Features
  - 589,000 ac-ft storage; 18’ max depth; 36,400 acres
  - Continuous flow-way (includes filled Miami Canal); 108,385 acres
  - Forested Wetland; 14,500 acres

- East Features
  - STA; 14,600 acres
  - Flow-way; 1,385 acres
### Conceptual Configuration
**Marshall Plan Element 6**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Base (Current Conditions)</th>
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<th>Results</th>
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</thead>
<tbody>
<tr>
<td>Estuaries-High Discharges (% reduction)</td>
<td>NA (84 months)</td>
<td>95%</td>
<td>95% (4 months)</td>
</tr>
<tr>
<td>Lake O-Stage Envelope (Std Score Above)</td>
<td>79%</td>
<td>NS</td>
<td>79%</td>
</tr>
<tr>
<td>Everglades- Demand Target (Std Score)</td>
<td>29%</td>
<td>NS</td>
<td>91%</td>
</tr>
<tr>
<td>Everglades- Dry Season Demand Target (Std Score)</td>
<td>42%</td>
<td>90%</td>
<td>89%</td>
</tr>
<tr>
<td>Increased Annual Average Flow to Everglades (kaf/yr)</td>
<td>NA (1,380 kaf)</td>
<td>NS</td>
<td>395</td>
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</tbody>
</table>
Meet the performance targets including Lake Okeechobee high stage target, reductions of damaging flows to estuaries, and providing dry season deliveries to the Everglades.

The implementation of dispersed storage north of Lake Okeechobee is included.
North Deep Storage
200,000 ac-ft
Conceptual Configuration
Performance

- North Features
  - 200,000 ac-ft; 15’ depth; 15,000 acres
  - Dispersed Storage

- South Features
  - 1,200,000 ac-ft; 18’ depth; 76,900 acres; STA; 36,500 acres; Talisman Compartment A

- East Features
  - STA; 15,600 acres; L-8 Basin
### Conceptual Configuration Performance

<table>
<thead>
<tr>
<th>Description</th>
<th>Base (Current Conditions)</th>
<th>Target</th>
<th>Results</th>
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</thead>
<tbody>
<tr>
<td>Estuaries-High Discharges (% reduction)</td>
<td>NA (84 months)</td>
<td>95%</td>
<td>95% (4 months)</td>
</tr>
<tr>
<td>Lake O-Stage Envelope (Std Score Above)</td>
<td>79%</td>
<td>85%</td>
<td>84%</td>
</tr>
<tr>
<td>Everglades- Demand Target (Std Score)</td>
<td>29%</td>
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<td>95%</td>
</tr>
<tr>
<td>Everglades- Dry Season Demand Target (Std Score)</td>
<td>42%</td>
<td>&gt;90%</td>
<td>95%</td>
</tr>
<tr>
<td>Increased Annual Average Flow to Everglades (kaf/yr)</td>
<td>NA (1,380 kaf)</td>
<td>NS</td>
<td>533</td>
</tr>
</tbody>
</table>
Focused primarily on meeting set performance standards derived from the performance maps that were provided. Utilizing performance maps centered on roughly 300,000 ac-ft of storage north of Lake Okeechobee and roughly 550,000 ac-ft south of Lake Okeechobee.

- The storage south of the Lake is to be divided between both deep and shallow storage.

- The configuration also provides water quality treatment by locating a Stormwater Treatment Area on Compartment A of Talisman property.
North Deep Storage
300,000 ac-ft
- **North Features**
  - 300,000 ac-ft, 15 feet deep

- **South Features**
  - 460,000 ac-ft, 17 feet deep
  - 90,000 ac-ft, 4 feet deep
  - 36,500 acres of STA; Talisman- Compartment A
### Conceptual Configuration

#### Performance – Cost

<table>
<thead>
<tr>
<th></th>
<th>Base (Current Conditions)</th>
<th>Target</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estuaries-High Discharges (%)</td>
<td>NA</td>
<td>90%</td>
<td>94%</td>
</tr>
<tr>
<td>reduction</td>
<td>(84 months)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lake O-Stage Envelope (Std</td>
<td>79%</td>
<td>NS</td>
<td>81%</td>
</tr>
<tr>
<td>Score Above)</td>
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<tr>
<td>Everglades- Demand Target (Std</td>
<td>29%</td>
<td>90%</td>
<td>92%</td>
</tr>
<tr>
<td>Score)</td>
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<tr>
<td>Everglades- Dry Season</td>
<td>42%</td>
<td>85-90%</td>
<td>91%</td>
</tr>
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<td>Demand Target (Std Score)</td>
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<tr>
<td>Increased Annual Average Flow</td>
<td>NA</td>
<td>NS</td>
<td>537</td>
</tr>
<tr>
<td>to Everglades (kaf/yr)</td>
<td>(1,380 kaf)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

sfwmd.gov/riverofgrass
Construct a reservoir in the northeastern portion of Lake Okeechobee which will provide 1.2 million ac-ft of storage. The flows from Kissimmee River will not go into the reservoir but rather into the main portion of the Lake.

Improve conveyance south of Lake Okeechobee to allow the movement of water from the Lake to a stormwater treatment area that will be constructed on Talisman-Compartment A.

Construct an STA on USSC lands immediately west of STA 5/6 which will receive water from the S-4 Basin. Construct conveyance from the S-4 Basin to the new STA.

Implement the Nicodemus Slough management measure with potential to store 30,000 ac-ft on 18,000 acres.
Conceptual Configuration
Reservoir Within Lake Okeechobee
North Features
- 1,200,000 ac-ft; 8 feet deep; 158,000 acres within Lake Okeechobee
- Dispersed Storage- Nicodemus Slough; 18,000 acres

South Features
- 53,500 acres; Talisman- Compartment A and west of STA-5/6
## Conceptual Configuration

### Reservoir Within Lake Okeechobee

<table>
<thead>
<tr>
<th></th>
<th>Base (Current Conditions)</th>
<th>Target</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Estuaries-High Discharges (% reduction)</strong></td>
<td>NA (84 months)</td>
<td>&gt;95%</td>
<td>93% (6 months)</td>
</tr>
<tr>
<td><strong>Lake O-Stage Envelope (Std Score Above)</strong></td>
<td>79%</td>
<td>100%</td>
<td>87%</td>
</tr>
<tr>
<td><strong>Everglades- Demand Target (Std Score)</strong></td>
<td>29%</td>
<td>&gt;90%</td>
<td>84%</td>
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<tr>
<td><strong>Everglades- Dry Season Demand Target (Std Score)</strong></td>
<td>42%</td>
<td>&gt;90%</td>
<td>86%</td>
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<tr>
<td><strong>Increased Annual Average Flow to Everglades (kaf/yr)</strong></td>
<td>NA (1,380 kaf)</td>
<td>400</td>
<td>616</td>
</tr>
</tbody>
</table>

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[sfwmd.gov/riverofgrass]
Conceptual Configuration

Next Steps

- Complete evaluation of conceptual configurations
  - Water quality
  - Planning level cost estimates
  - Economic impacts
- Evaluation of concept elements
- Formulation of suggested alternatives
- Periodic summaries to WRAC and Governing Board
Reviving THE river of grass

Questions?

sfwmd.gov/riverofgrass
Stakeholder Involvement
Richard A. Pettigrew, Facilitator, Phase I Planning WRAC
Issues Workshops

Reviving
THE river of grass

sffwmd.gov/riverofgrass
Phase I Planning
Stakeholder Involvement

- Stakeholder Presentations on Approaches to Achieve Goals and Objectives
  - Forest Michael and Karl Wickstrom
  - Florida Crystals
  - US Army Corps of Engineers (USACE)
  - Everglades Foundation
  - Arthur R. Marshall Foundation
  - Department of Interior/Everglades National Park (DOI/ENP)
  - South Florida Water Management District (SFWMD)
  - Audubon
Phase I Planning
Local Government Involvement

- Local Government Presentations
  - Pahokee
  - Belle Glade
  - South Bay
  - Glades County/Moore Haven
  - Hendry County/Clewiston
  - Port of Palm Beach
  - Lee County
Phase I Planning
Stakeholder Involvement

- Utilizing the WRAC Issues Workshop format
  - 8 Workshops since January
  - encouraging stakeholder participation and input into the process
  - encouraging participants to stay involved throughout the process and to attend as many meetings as possible

- Conducting meetings in different locations/venues in order to reach out to all stakeholders
Phase I Planning
Stakeholder Involvement

- Ensuring all necessary information is available to the stakeholders

- Group conceptual configurations exercise:
  - Good attendance - important not only to the stakeholders but also SFWMD team to ensure they are getting all pertinent ideas and information
  - Participants are taking this seriously, listening to each other and working together

- Country-wide participation via webcast viewing
Restoration Project Planning

On December 16, 2008, the South Florida Water Management District Governing Board voted to accept a contract with the United States Sugar Corporation to acquire more than 180,000 acres of agricultural land for Everglades restoration. This historic transaction provides water managers with the unprecedented opportunity to store and treat water on a scale never before envisioned for the benefit of America’s Everglades, Lake Okeechobee and the St. Lucie and Caloosahatchee rivers and estuaries.

With full public involvement, the first phase of River of Grass restoration project planning is under way. Through a series of Water Resources Advisory Commission Issues Workshops, the Phase I planning process will determine viable configurations for constructing a managed system of water storage and treatment to support ecosystem restoration efforts.

RELATED MATERIALS

- Public Workshops: Dates, Agendas, Presentations, Minutes
- News, Fact Sheets, Public Information
- Reservoir Sizing and Operations Screening (RESOPS) Model
Next WRAC Issues Workshop

May 19, 2009

John Boy Auditorium
1200 South WC Owens Ave.
Clewiston, FL
10:00 a.m. – 4:00 p.m.
Questions?
Everglades Land Acquisition
Next Steps

- May 11 - Special Governing Board Workshop
  - Present revised contract and lease to Governing Board for consideration and action
  - Continue strategic planning process
    - Determine Governing Board strategic priorities
    - Review available revenue streams and expense projections
    - Identify budget challenges and realities
    - Deliberate future policy decisions and funding allocations
  - Board discussion and direction
Everglades Land Acquisition
Next Steps

- **May 13 & 14** – Governing Board Workshop & Regular Meeting
  - Continued discussion and Governing Board action

- **May 19 & June 2** - Water Resources Advisory Commission (WRAC) Issues Workshop
  - Continued restoration project planning

- **June 4** – WRAC Regular Meeting
  - Acquisition, restoration project planning and strategic planning update
Next Steps
Contract, Budget & Financing Timeline

May 15: Court Calendar Call, Validation Hearing

Jun 1: Preliminary Tax Roll Values

Jul 15: End 60-Day Go-Shop*

Jul 1: Certified Tax Roll Values

Aug/Sept/Oct: Rating Agency/Insurer & Banks

Jun 26–Jul 24: Validation Hearing

May 26–Jul 24: Rating Agency/Insurer & Banks

Aug/Sept/Oct: Rating Agency/Insurer & Banks

Oct: Early Bond Validation

Jan/Feb: Rating Agency/Insurer & Banks

Feb: Bond Closing Date

Mar 31: Late Bond Validation

Apr/May: Bond Closing Date

June 29: Outside Closing Date

Jun 29: Outside Closing Date

*U.S. Sugar may accept a superior proposal up until validation occurs.
GOVERNOR CRIST UNVEILS HISTORIC PLAN TO REVIVE THE RIVER OF GRASS

South Florida Water Management District to negotiate acquisition of agricultural land to reestablish an historic connection between Lake Okeechobee and the Everglades

On June 24, 2008, Governor Charlie Crist announced the South Florida Water Management District will begin negotiating an agreement to acquire as much as 187,000 acres of agricultural land owned by the United States Sugar Corporation. The vast tracts of land in the Everglades Agricultural Area would then be used to reestablish a part of the historic connection between Lake Okeechobee and America’s Everglades through a managed system of storage and treatment and, at the same time, safeguard the water supply for Florida’s residents.

Acquiring the land will allow the SFWMD to store and discharge water into Lake Okeechobee and to better manage the appraisals and planning in certificates of title. Benefits from the acquisition include:

- Increased water availability
- Improved water quality
- Prevented flooding
- Eliminated flooding
- Sustained economic development

RELATED MATERIALS

- Acquisition Documents: Contracts and Due Diligence
- Governing Board Presentations and Discussions
- Restoration Project Planning
- Resolutions, Letters, Proposals and Legal Proceedings
- News Releases, Fact Sheets, eNewsletters and Photos
- Guest Opinions, Editorials and News Articles
- Public Records Requests