



**AGENDA
POLK REGIONAL WATER COOPERATIVE**

July 15, 2020 – 2:00 PM
Lake Myrtle Sports Complex
2701 Lake Myrtle Park Road
Auburndale, FL 33823

ZOOM Virtual Meeting
<https://us02web.zoom.us/j/82434409750?pwd=amNvSGthZDdUdnJTcGdpNzFPNS9FZz09>
Call In: +1 (646)558-8656
Meeting ID: 824 3440 9750
Password: 965284

- A. Call to Order
- B. Recognition of new primary/alternate appointees of members
- C. Agenda Revisions
- D. Public Comments
- E. Consent Items
 - 1. Board of Directors Meeting Minutes
 - 2. CFWI Water Conservation Grant Funding Application
 - 3. Financial Report - Activities ending April 30, 2020
- F. Regular BOD
 - 4. Action Item - Accept Independent Auditor's Report for FY 2019
 - 5. Action Item - Adopt Resolution 20-01 - Final Polk Regional Water Cooperative Budget - FY 20-21
 - 6. Information Item - Central Florida Water Initiative (CFWI) Update - Presentations by FDEP and SWFWMD

RECESS REGULAR BOD/COMMENCE PROJECTS BOD:

- G. Projects BOD
 - 7. Action Item - Resolution 20-02 - Final Combined Projects Phase 1 - FY 20-21 Budget
 - 8. Action Item - Project Administrator Selection

RECESS PROJECTS BOD/COMMENCE REGULAR BOD:

- H. Open Discussion
- I. Chair / Executive Director Report
- J. Adjournment

In accordance with the American with Disabilities Act, persons with disabilities needing special accommodations to participate in this proceeding should contact the Polk County Communications Office not later than forty eight hours prior to the proceeding. Their offices are located in the Neil Combee Administration Building, 330 West Church Street in Bartow. Telephone (863) 534-6090, TDD (863) 534-7777 or 1-800-955-8771, Voice Impaired 1-800-955-8770 via Florida Relay Service.

If a person decides to appeal any decision made by the board with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

B. Recognition of new primary/alternate appointees of members

Commissioner Bill Simpson reappointed as Bartow primary and Vice Mayor James Clements as the alternate.

C. Agenda Revisions

No revisions of the agenda were presented.

D. Public Comments

No public comments were presented.

E. Consent Items:

1. Board of Directors April 22, 2020 Meeting Minutes
2. State Single Audit Services Agreement – Brynjulfson CPA

Motion made by Commissioner Watts and seconded by Mayor Pro-tem Birdsong to approve the consent agenda as presented. Motion approved unanimously.

F. Regular BOD

3. PRWC Preliminary Administration Budget – FY 2021

Director Taylor presented the Fiscal Year 2021 Preliminary Administration Budget for the Polk Regional Water Cooperative to the Board for review and comment. The final budget will be presented at the next Board of Directors meeting in July for consideration and approval by resolution.

Recess Regular Board of Directors / Commence Projects Board of Directors at 2:13 P.M.

G. Projects BOD

4. PRWC Preliminary Projects Budget (Combined Projects) – FY 2021

Ms. Katie Gierok, Team One, presented the Fiscal Year 2021 Preliminary Phase 1 Combined Projects Budget for the Polk Regional Water Cooperative to the Board for review and comment. The final budget will be presented at the next Board of Directors meeting for consideration and approval by resolution.

5. Bond Counsel Contract

Mr. Ed de la Parte provided a brief history of the request for proposal and selection for Bond Counsel Services, the selection committee composed of the PRWC Executive Director, the PRWC Combined Projects Coordinator, the PRWC Legal Advisor, the City of Auburndale's Deputy Finance Director, and a Deputy County Attorney for Polk County, and the Board of Directors approval of the selection of Holland & Knight at the

April 22, 2020 Board of Directors meeting. A description of the staff recommendation for approval of the negotiated contract was provided to the Board.

Commissioner LaCascia stated the Bond Counsel fees looked like they were based on an hourly basis and asked if the PRWC has a total cost of the bond.

Mr. de la Parte stated exhibit B stated the fees for public offering transactions, private placement transactions, and the WIFIA loans. Those are based on the amounts of those loans. The Bond Counsel fees would be contingent on closing the loans. There is a section that relates to hourly rates, but those would be hourly rates for other activities the PRWC would request them to conduct and there is language in the contract that allows the Board to set a "Not to Exceed" limit on those tasks that are not directly paid out of the bond proceeds or the loan proceeds.

Commissioner LaCascia stated we are entertaining this contract with the Bond Counsel but we are not specifying a total amount of the Bond we are looking for.

Mr. de la Parte stated that is correct, the financial plan has identified an amount for a WIFIA loan, an SRF loan and bank note, associated with the Phase 2A projects, but those have not yet been finalized. And of course the PRWC has not yet applied and EPA has not approved a WIFIA loan, so we do not know exactly what those amounts would be at this point.

Commissioner LaCascia wondered how we could establish a FY 2021 budget establishing an amount without knowing the amount the PRWC is looking for.

Mayor Mutz called for a Point of Order. He was not sure how the Board could vote for a Bond Counsel contract on a Phase 2A portion of the project as a Phase 2A Board when only a Phase 1 Board exists. Therefore the Board cannot vote for a Phase 2A Implementation agreement unless there is a Phase 2A Board. The Phase 2A Boards exist once the participating local governing bodies agree to that and the Board cannot create a Phase 2A Board subject to the local governing bodies without each of the local governing bodies agreeing to it. So if the Board was going to vote on anything for Phase 2A we would have to vote as a Phase 1 Project Board so he believes the motion is out of order.

Commissioner LaCascia asked if the Point of Order negates him getting an answer.

Mr. de la Parte, responding to Mr. LaCascia, stated that since the payments would be contingent on the loans actually being issued and those loans cannot be issued until there is a Phase 2A agreement; the Phase 1 Project Board could approve this agreement because the contingency of payment would not take effect until there was an actual Phase 2A implementation agreement and loans would be issued.

Mr. de la Parte, responding to Mayor Mutz, state the Phase 1 Project Board can vote to enter into the agreement, but there would not be any payments under this agreement unless there is a Phase 2A Implementation Agreement and a Phase 2A Project Board that would then approve the Phase 2A Implementation Agreement and approve the financing going forward. The PRWC does need Bond Counsel's assistance in putting together the WIFIA application. The Bond Counsel has agreed that they will not be compensated for assisting with the WIFIA application unless this Board approves a Phase 2A Implementation Agreement and actually approves the loan and the PRWC

gets the loan from EPA. That is the Bond Counsel's risk, but the PRWC does need their assistance in answering questions that the EPA's underwriter are going to request.

Mayor Mutz stated his argument is that there is no urgency to accomplish this at the present time. The PRWC needs to make sure on a local level within the existing Phase 1 Agreement that is in place that each of our local entities would want to move forward. Otherwise, we are wasting our time on both the Bond Counsel and any discussion of the Phase 2A project. Let us first as Cities and local entities decide to do that, put together those agreements, and if we have a group within the existing Phase 1 Project Board that would want to participate in some of that project, they could make a determination to do that or the Board could do that as a whole, but we have not done that yet as a Phase 1 Project Board and therefore making a decision to bring on Counsel for something we may not even bring to bare as a group does not make sense since we are only legally established as a Phase 1 Board.

Chair Pospichal asked Mr. de la Parte how we could move forward with the Phase 2A agreement if we push this item further back on the agenda.

Mr. de la Parte stated the item to be discussed later would give the Board direction on certain policy issues, not actually to approve any Phase 2A Implementation Agreement. The decision the Board would need to make is do they want to defer a decision on the Bond Counsel contract until there is an actual Phase 2A Implementation Agreement which may not be in place until the Board's September Board Meeting which means we will not have the assistance of trying to put together an application to the EPA or do they want to go ahead and approve this agreement so we do have the assistance of Bond Counsel who is taking the risk that they will not get paid unless there is a Phase 2A Implementation Agreement so the PRWC could put together an application and move forward knowing there wouldn't be any financial liability to the Board if that were the case. The decision of this Board is how they want to proceed. Do they want to wait until possibly September before bringing on Bond Counsel, which does not provide a lot of time to finalize the application to EPA, which is due October 10th. Or do we sign this agreement and utilize Bond Counsel's expertise to work on the EPA application, of course being dependent on what this Board ultimately decides later this year.

Chair Pospichal stated that since the PRWC has deadlines looming in October and waiting to September would push it right to the edge, the Board should take the opportunity to vote as described by Mr. de la Parte and the Bond Counsel would be the ones taking the gamble of whether they would be paid. In other words the Board would be protecting themselves moving forward giving direction for the Phase 2A Implementation Agreement.

Commissioner Lindsey stated that many of the member governments have ancillary agreements with Holland & Knight in other capacities and have had relationships with them for an extended period of time. The PRWC has already gone through the selection process to identify them as the selected firm and is inclined to agree with Mayor Mutz to defer action until later in the process knowing that Holland & Knight is the PRWC's preferred firm having already gone through the selection process, but we are not prepared to sign the agreement until such time as Phase 2A Implementation is memorialized.

Commissioner Watts concurred with Mayor Mutz that the Board should agree to defer action to a later time.

Motion made by Mayor Mutz to defer action until a Phase 2A Project Board is in place and seconded by Commissioner LaCascia.

Commissioner Lindsey asked to amend the motion to include the addition of a not to exceed number subject to additional consideration down the road.

Commissioner LaCascia thanked Commissioner Lindsey and stated that is what he was looking for and did not want to move forward with any agreement that is open ended.

Mayor Mutz stated that in order to make that motion change, the PRWC has to have a not to exceed number and that would presume we have a knowledge of the people we want to be members of that redefined second group. The PRWC does not have that, the PRWC has an existing Board in place that has been approved by each local governing entities and therefore if we were doing a Project 2A and it was a smaller group of participants it would change the way the numbers look on a not to exceed basis. So it is a premature decision until the PRWC knows what it is dealing with if in fact the PRWC creates a Project 2A.

Commissioner Lindsey stated the point is not to determine an amount, but determine that there shall be a not to exceed number before it is executed.

Mayor Mutz stated he would 100 percent agree with that.

Commissioner LaCascia stated he agreed with that as well.

Motion made by Mayor Mutz, seconded by Commissioner LaCascia, and amended by Commissioner Lindsey to select Holland and Knight, defer execution of the agreement until such time as the Phase 2A Agreement is finalized, and, in the interim, add a provision to allow for a not to exceed number to be determined at a later date prior to approval.

Mayor Mutz and Commissioner LaCascia stated this captured the intent of their motion and second.

Motion passed unanimously

Mayor Mutz made a motion to create a mediation for determining how we govern this going forward. Simply for the reason that if the PRWC is going to consider an entity that will be comprised of other members that we need to separate it from the Project Board work that has been done by Mr. de la Parte for our existing work as well as the representation from the Southeast Wellfield. Motion to select a mediator who would help to determine whether or not this is even something that should be pursued with existing counsel. Seconded by Commissioner Watts

Commissioner Lindsey requested further explanation on the intent of the motion.

Chairman Pospichal stated the motion might be early considering what was to be discussed today.

Mayor Mutz stated that is debatable. What we are really discussing is whether or not we have the authority to take a look at something that has not been approved by our local governing authorities. We are a Project Board, we already have that approval in place. We know how to operate within that and we have approved that locally from each of our entities. Therefore, to protect what we are doing there is really, truly, one authority in all of this, and that is the DEP. We are not racing against some other challenges of redefinition of what we are going to have to do, and we have SWFWMD's approval in the process, and we have funding allocations in place that they are pleased with. We need to remain the Project Board that we are and if we are going to make any other considerations to try and move to any other format of, including some things we have not included as our individual entities, as in specifically the \$4 million of the Southeast Wellfield, in terms of some of the obligation of future considerations we need a mediator to be able to determine how it is we go about that and the proper way to exercise it and that is the motion.

Commissioner Lindsey asked what is the other format.

Mayor Mutz stated the PRWC has the unfortunate potential conflict of interest of having Mr de la Parte who represented the Southeast Wellfield as well as our Project Board to a talk about how we change what we have already approvals for in place. We know we need additional water, we have created an opportunity to cooperate together. We have allocations that are preapproved that are not being threatened. We do not have near term emergencies to try and restructure and get to deadlines. So let us work together as an existing Project Board to protect our local entities interests and if there are some entities within the Project Board that would like to work on some of the funding of the Southeast Wellfield, let those entities near that wellfield work on approving those locally first and becoming a subsection of our existing Project Board. But to talk about doing something forward as a Project Board which is already approved that is different from our current structure and to have the same counsel do it on both sides is inappropriate application.

Commissioner Lindsey asked what is the basis for pre-approved permits not threatened?

Mayor Mutz stated his recommendation is simply that the Project Board have a mediator determine what is the appropriate way to take a look at this moving forward and come back and make a recommendation to the Project Board. We already exist.

Commissioner Lindsey stated we exist as we are today, a Project Board and the other format being proposed is a combination of projects and participants that is different than it is today.

Mayor Mutz stated that what he is proposing is that we do not include a project that is a very large project without the local governing agencies first having the opportunity to approve that project and since we have not done that, we do not have any responsibility or obligation to move forward to consider any expansions for the Phase 1 Board overall, that has not been pre-approved for the projects we have already all discussed, considered, and approved by the SWFWMD. We do not have some compelling reason to accelerate the rate at which we integrate this into our Phase 1 already existing project. So therefore, we ought to take time to segregate how we take a look at that, allowing individual cities not to accept an obligation that does not benefit them and allowing the Cities to which it may benefit to be able to become a participant in that process.

Commissioner Lindsey stated it could like evolve into dismantling the projects and participants we have now and re-aligning in a different project in a different participation alignment thereafter.

Mayor Mutz stated that is correct and that is a risk if the PRWC were going to do something like that, that we ought to do having been given some other counsel that was not on both sides of the legal work of both projects.

Commissioner Lindsey stated that in that deliberation if there was realignment other than the Polk Regional Water Cooperative, which is the entity that has a relationship with the Water Management District, those projects and or participants that opt out of that would not have that relationship with the Water Management District.

Mayor Mutz stated that infact in his opinion the opposite is true. They will not opt out for having a financial pressure created upon them that they did not sign up for originally, and in fact want to become continuing participants in what they did agree to do. And so we need to, if we are going to realign some things and create other opportunities, create the opportunity first to define what those amounts would be, which Cities would want to participate in that funding, go to their local governing entities and solicit that participation and get approval. Come back and then a subset of our existing entity, or not, could determine to come alongside that project. They did vote on that spending that was not part of what they agreed to when they sat down and we created this in the first place. So this is just a chance to preserve what we have created until local governing authorities have the opportunity to determine to opt out or in on the Southeast Wellfield Project.

Commissioner Lindsey clarified on the PRWC to opt out or in.

Mayor Mutz stated they will stay within the PRWC.

Mayor Fultz asked if we are talking about reopening the entire governing structure of the PRWC.

Mayor Mutz stated we are talking about how do we handle the integration of the Southeast Wellfield in terms of a financial obligation to the PRWC and who wants to participate with that integration. We know we need alternative water supplies, that is not a question, we have already identified projects and put them into place that we have agreed to do. We are a Cooperative, not an Authority and we are not here to create additional funding for alternative water projects to satisfy other needs and pressures that we do not do first locally within our own governing authorities and bring those back then as a subset if you wanted of people within the PRWC that could approve them or not. But we retain the authority we have been given, the funding mechanism that makes it simple for us to be funded, the DEP regulations and rules that are certain that exist that we know exist that we do not have to worry about them being changed and we are not subjugated to other agencies pressures when in fact we know that that is the one set, the one place we get those rules and authorities. So when we move forward we protect what we have in place, which is what we very much want to do, because when we have created a fabric of cooperation in this, then it benefits us all, without increasing an obligation and liability that does not without first having local governing authority pre-approval.

Commissioner Lindsey stated as consequences and dollars and timing and all things become into focus that we started 5 years ago, there are those who say I want to revisit my commitment.

Mayor Mutz said he can only speak for Lakeland, and Lakeland is not revisiting its commitment to what is in place as a Project Board and a cooperative agency. Lakeland is very much supportive of that. Lakeland is revisiting whether or not the City should add an additional liability that does not necessarily benefit us all and allow those who can be benefited by it to participate in it if they would like as a subset within the PRWC. But we cannot make that determination if the Project 2A Board without having first and as a project first having some separation and

evaluation of how we ought to do that given the integration of the legal documents and agencies that have been used to create them. So it is simply an opportunity to say okay how would we determine the right way for us to do that going forward only talking about the Southeast Wellfield as part of that potential push forward

Mayor Fultz stated that in essence anyone who would not be benefitting in the Southeast Wellfield has an opportunity to bow out.

Mayor Mutz stated of that portion of the project. And those who want to gain can participate within and allocate the cost accordingly and not disrupt everything else we already have in place.

Mayor Fultz stated if we are looking at virtual structures, would not that be something that each member would benefit from?

Mayor Mutz stated he did not understand Mayor Fultz's question.

Mayor Fultz stated that Mayor Mutz stated that anybody that would not be benefitting from the Southeast Wellfield Project would have an opportunity to opt out of it and the ones who will be benefitting will have the opportunity to go forward with it. If we are looking at it from that perspective, you are saying that we will have to actually step away from anything that does not directly concern us as a municipality.

Mayor Mutz stated that only because we have not decided to include it to date. So as a Project Board once a group of people would decide to include it, certainly it could be considered, but we have not done that. There is not a reason for us to have the obligation to include it if it is not deemed by the local governing agency that it is going to be to your benefit.

Mayor Fultz stated that at one time the Board talked about the water being virtual and if it is a virtual line that we are talking about that is coming into the PRWC, would not that virtual line be accessible to everyone as far as transfers of water permits.

Mayor Mutz stated it can be done, but we would agree to do that as a group.

Commissioner Lindsey stated those that have longer term permits would be less likely to have that reliance and those who have shorter term permits would have a greater dependence on that reliance, but I am reminded that something I said five years ago, having a permit in hand is like having blank checks, that does not mean you have money in the bank.

Mayor Mutz stated the issue is there is a lot of factors to be considered. We are not in a race on this. Let us take the time to slow down and give our entities an opportunity to talk about what is going to be beneficial. We have adequate allocations in place now, for an extended enough period of time, and designs and projects started that we have all agreed on. We have a great opportunity to continue this relationship together. Let us not do something that creates some disruption on an accelerated basis that we are not encountering and no pressure that we need until we have first allowed the local entities to review this, see how they want to participate, ask the questions they want to ask, and then come back together.

Commissioner Lindsey stated that that part he does not disagree with, that there is no great urgency. We have seen the annual consumption per resident slide down and that is a good thing as we move forward. We have seen agricultural wells come out of service that add back to the inventory and that is a good thing but there will be a time when a day of reckoning will come

and we cannot wait until the eve of that day to do something, but in the mean time, the implication is that you do not think that Mr. de la Parte can serve in that capacity.

Mayor Fultz stated there is one thing he would like to bring out, if someone who is not actually going to benefit from the Southeast Wellfield, does that give the same consideration to the other municipalities, other cities could agree not to participate in the West Polk Wellfield and the idea of all cities to share the cost.

Mayor Mutz stated the Southeast Wellfield was not a PRWC project, it was a Polk County project and it was approved as a project by them. When we created our Cooperative we created the ability on the Lakeland Wellfield to be able to have that be to the benefit of us all as a part of where we were going and have all agreed to do that. So everything we have created thus far we have done as a Cooperative appropriately without urgency and with enough room to be able to continue to plan going forward while we answer other questions and determine the most appropriate ways for us to do this going forward. We do not have to be in a rush to do this today and so my concern is that we slow ourselves down enough to take a look at what is really important for us to do and who wants to participate in that and then integrate that as we go forward. We are going to have more pressure of people moving to Florida presumably, people living in our part of the state presumably, and millions of gallons a day increased demand we do not have existing today, from COVID-19 alone, people just wanting to be here, we recognize that that is going to come, but we have time to be able to do this and to determine within our local governing authorities if each of them want to participate on that portion of the project. There is no reason to accelerate that today.

Mayor Fultz stated he does agree that we do need more time to discuss this to come to some equitable conclusions, for all parties involved, so yes, today is not a drop dead deadline.

Mr. de la Parte stated he wanted to give the Board, to go back over the history of how the PRWC got to this particular situation. Back in 2017 this Board approved three projects as PRWC projects, not as Polk County projects or Lakeland projects and that was the Southeast Wellfield Project, the Peace Creek Integrated Water Project, and the West Polk Lower Floridan Aquifer Project. There was a Combined Implementation Project Agreement that was signed by all of the participants that formed this Project Board. That Combined Projects Implementation Agreement provides that is within the purview of the Project Board that is created for Phase 1 to decide whether to move into Phase 2 of that project with regards to one project, two projects, or three projects or any combination thereof. That decision was made in the 2017 contract. This Board in September of last year decided, I believe it was unanimously, that they wanted to move forward with the framework for the Phase 2A project which included both the West Polk Lower Floridan Aquifer Project and the Southeast Wellfield Project and they in fact directed Mr. de la Parte to prepare an agreement to be circulated among the various member governments for discussion purposes. Mr. de la Parte made a presentation to the Board back in January about the status of that situation and was directed to move forward with that agreement and the members were asked to submit their comments by a certain date. Mr. de la Parte received comments from a number of members regarding that agreement. Some of those comments raised issues of policy that staff cannot decide, that we need guidance from this Board with respect to that agreement and we have a presentation later on to give staff direction on how to proceed further. Mr. de la parte suggested that the Board at least listen to the presentation, give us direction, or not give us direction if that is your recommendation. This is a process that you started over five years ago, we have now come down to this particular point in time and it is appropriate for the Board to understand all of the ramifications. There are assumptions being thrown out on the table that there is not an overriding need to go ahead and move forward with

these projects. We have members from the Water Management District here today who can address that. There have been statements made that there would not be anything that would jeopardize the funding from the Water Management District, I think you need to hear from the Water Management District regarding all of those issues and at the end of that presentation, if the Board decides that you want to go a certain route, I think it is within the purview of this Board to go that route. If you decide to give us recommendations and proceed with a draft agreement that is within your purview to do it, but all that we are asking for is just an hour of your time to go through these matters so at least everybody here has the facts and information from the technical team that you hired to go ahead and make a decision on whatever motion is going to eventually be presented to the Board.

Commissioner LaCascia stated he is not sure what the introduction of this mediator is going to do to everything that you just said Mr. de la Parte. There was a lot of information. You just gave a historical overview as to what brought us here and I basically would take a minute and do the same thing. I think I may have a different take on it then you do. It is true that Ryan put out the Implementation Agreement and asked for comments on it. The comments, speaking from my notes, there were letters from Davenport, Eagle Lake, Polk City, Lakeland, Polk County, Winter Haven, Haines City, and Bartow. That is eight of the fifteen members had significant questions. To date I do not know if any of those questions have been answered specifically to each of the member cities that came forward with those questions. I know Polk City has not and I have been told it was addressed in a slide, excuse me, that is so disrespectful. The cities took time to put together letters of their individual concerns about the implementation of the 2A Agreement. They have not had any answers to that whatsoever. Now I am not sure exactly how broad this authority is of this mediator, is he going to get involved in bringing this all together and try to get answers for all of these questions that the individual cities have had; because, I was ready to, I know there is a 2A Implementation discussion that was going to come up, I think that some of the questions have been answered here. I am not prepared to vote on any 2A Implementation Agreement until every one of the cities get the respect they deserve by getting a letter that answered every one of their grievances. Now I made it a point to get as many of the copies of the letters from the various cities that I could and they certainly did not all espouse the same concerns. There were many many different concerns. I think that they probably fell down on the size of those cities. Small ones had some that were somewhat the same and the larger ones had other ones. However, I do not see a downside to a mediator at all. If we can be hopeful of getting answers to all of the questions that we put forward that we still have concerns about and have not heard word one about them from Mr. de la Parte to date as far as I am concerned. Thank you.

Mayor Mutz agreed and stated all we are asking for in selecting a mediator and someone who is very experienced, that Carlos Alvarez kind of individual, is to be able to take all of the policy issues that exist, bring them together to keep everything together, but also show the financial obligations that occur. When we talked about looking at moving forward, we are not talking about it with knowledge until we know what are the financial obligations and who are the players and what are the local governing agencies that are in on that portion of that project. We are just putting on enough flaps to be able to appropriately reassess what is being able to be considered and to determine who wants to add that to what they believe are going to be there future needs going forward. That is my recommendation in this motion.

Mayor Fultz stated he does not want to see us separated at this junction as to being a Cooperative, because when the Southeast Wellfield was first talked about, it was not talked about as a Polk County project, it was talked about as a Polk Regional Water Cooperative project. That means that what I am hearing now, if someone wants to opt out of the Southeast

Wellfield they can opt out if they feel like they are not going to benefit from it. So that means that Lake Wales can also opt out of the West Polk Wellfield. Is that correct?

Mayor Mutz stated we have already made those commitments together as a Cooperative. So it is really about what we are doing going forward. Another great question to ask in mediation.

Commissioner Lindsey asked if would like to change to facilitator instead of mediator which implies an adversarial relationship if we have a mediator. I think a facilitator is a better vernacular.

Mayor Mutz stated he could use facilitator in this motion.

Mayor Fultz stated that sounded good. He thinks facilitator would definitely help resolve some of the issues that we are hearing right now.

Mayor Mutz stated he is just trying to buy some distance.

Commissioner Lindsey stated he would harken back to those among us who were at the table 5 years ago, and there are many of us who were not at the table 5 years ago, I would hope we can do in the same objective approach as we did, and I appreciate Mayor LaCascia hosting those meetings up in Polk City, many of those meetings that went long and were testy, but we came out with a consolidated uniform approach moving forward. I would hope, if this motion passes, and we move in that direction it will be quickly after post COVID so we can all be in the same room at the same time, look each other in the eye, and have the same consensus of moving forward. This ZOOM thing is not conducive as looking people in the eye and making long term commitments that you can then shake somebody's hand, which today we are all afraid to do. That is what I would look forward to in this process.

Mayor Mutz agreed and stated it is not that we should not do this with dispatch, we can do this portion, but let us have the opportunity to listen to and talk through issues and financial obligations.

Commissioner LaCascia called to question

Chair Pospichal stated he wishes we could have got through the next agenda item and then the motion be brought up. There are going to be a lot of questions that will be answered as Mr. Lindsey has said has been here a long time and has a lot of sweat equity in this program. It strikes me that this is one motion ahead of the next agenda item.

Commissioner Watts called to question

Motion made by Mayor Mutz, seconded by Commissioner Watts, with revision requested by Commissioner Lindsey to hire a facilitator for determining how we govern this going forward. Simply for the reason that if the PRWC is going to consider an entity that will be comprised of other members that we need to separate it from the Project Board work that has been done by Mr. de la Parte for our existing work as well as the representation from the Southeast Wellfield. Motion to select a Facilitator who would help to determine whether or not this is even something that should be pursued with existing counsel. Motion carries.

Commissioner Fellows agreed we need to take a little more time with this but wanted to go back to what Mr. Lindsey said. I was one of the ones that was there five years ago and we agreed that we could make this possible, make this happen by working together. While it is true that

some of the cities need this to happen a little quicker than others. Others are fortunate enough to not have the need quite as quick we still need them in the project. For the project to go forward once we start splitting these projects up, the member cities are not going to be able to afford to go on their own. We need to be very careful about how we move forward. We have five years of progress, we have a good foundation laid so I want to be very careful that we do not forget where we want to go because at some point in time we are all going to need this alternative water.

Mayor Mutz wanted to echo how important it is that we keep this regional water cooperative as positively formed as it has been and to express the appreciation that we have for our status today. In no way do I want to suggest at any level that we want to undermine what exists. I want us to be careful about what we do going forward so that we are working under the same kind of Project Board we have agreed to abide by as a group which just allows us to make certain our local governing authorities weigh in along the way. I have no reservation about a presentation and listening to a presentation and looking at the presentation, but it needs to be done with the understanding of who we are, where we are, and how we are to be obligated on future issues.

Mayor Fultz asked if the Cities split up and start doing their own thing per se financially, will SWFWMD still fund these projects.

Chair Pospichal stated probably not.

Mayor Fultz stated that that is something to be considered.

Commissioner Lindsey stated that now that the motion has passed, how do we put in the motion the selection of the facilitator.

Commissioner LaCascia stated just as we would any other qualified person, names would have to be presented, in terms of an RFQ, then we vote upon the qualifications of the parties that are brought up.

Commissioner Lindsey stated that was reason for his question. To authorize staff to advertise for RFQs and later we will have a committee review those.

Director Taylor requested clarification, staff is going to compose an RFQ, and he is assuming, based on Board direction that we will utilize the City of Lakeland as we have in past RFQs to develop that RFQ, advertise, staff interview, rank, provide the Board a ranking recommendation for the Board to approve. Then will have a contract presented for approval and then will move forward with facilitating discussion. High level, mountain top, type of discussion. The next time we will bring this up will be at our July 16th meeting.

Mr. de la Parte recommended we do an RFQ to make sure that whoever is selected as the Facilitator enjoys the trust of the group because this person is going to be an important person in terms of trying to act as a neutral person to resolve the matter and would recommend against trying to select that person right now without soliciting input from all the members.

Commissioner LaCascia agreed with Mr. de la Parte with the people in this room and the experience the County has had with George Lindsey, the experience Bill Mutz has had, if we cannot come up with three or four names and pick one out of the three or four names, we know the qualifications of these people. There is no reason in the world why we cannot do this. An RFQ is going to delay it even further, I am not even so sure we should wait until July. I think we should pick them and we should call a special meeting, it is that important that we get it done.

Commissioner Lindsey asked how do you pick them?

Mr. de la Parte offered thoughts for a framework on this so we do not lose valuable time is that the you all select five representatives or five member governments and representatives from those governments to sit on a selection committee along with two of the staff so there would be seven. They would put together an RFQ and they would meet and as a selection committee and rank the facilitators and then bring it back to a special meeting prior to your July meeting so that the facilitator will be on board because even though there is not a sense that your permits are at risk, but we do have an EPA loan that is very favorable and I am worried about whether it will be there after the COVID money gets transferred around up in Washington and we have an October 10th deadline for that. We should have a special meeting to select that person and then we can begin the process of using the facilitator to help us resolve some of these issues.

Chair Pospichal asked the Board if this is the direction they want the PRWC to go; do you want to send to the staff

Mayor Mutz stated he would certainly be fine with that process and will participate in any level that you would like. One clarifying question, when we talk about, and this is really a question to Mr. de la Parte, facilitator or mediator, I do not know if those words matter and might not have some legal consequence in the difference with sunshine laws and discussions and structure. Is one word equally replaceable or is there a name that needs to be considered protecting sunshine.

Mr. de la Parte stated in mediation there is a procedure for conducting the mediation so that it is not subject to public records. But that would require us to negotiate an agreement that is executed by all of the governments in order to do that. A facilitator, the communications between the facilitator and this group would not fall under the mediation statute. So that would not be exempt from the public records as to sunshine really to you cannot, under the guise of mediation, have a meeting of the Board under the mediation process. The decisions still have to be made at a public meeting that is duly noticed. You can have a facilitation process where people whom are representatives of these member governments attend that process or if you want Board Members to attend the facilitation you would go ahead and notice it as a workshop and then have a facilitator present to help achieve it.

Chair Pospichal asked with the assistance of Mr. de la Parte, can we get that taken care of.

Mr. de la Parte asked if Chair Pospichal was referring to the Facilitation.

Chair Pospichal confirmed.

Mr. de la Parte suggested in order to, because the trust and verification of the facilitator is going to be important. He suggests we at least get three or five members selected and have their representative sitting on the selection committee along with two staff members that it would be an odd number so that we can score the facilitators and then we can do a very quick request for proposal, this is not a CCNA matter so that we do not have those requirements in front of us. Then we can have a meeting and the selection committee can then rank the facilitators to give the Board guidance when you have your special meeting as to which facilitator you would like to pick. Knowing that a large number of your representatives participated in the selection process.

Chair Pospichal called for volunteers. Responses received from Commissioner Lindsey, Mayor Pro-tem Birdsong, Mayor Mutz, Commissioner Simpson, Mayor Kehoe, Mayor Fultz, and Commissioner Watts volunteered. Staff members Mr. Heath and Executive Director Taylor.

Commissioner Lindsey stated that when we finalize the request for RFQ he suggests that we ask City of Winter Haven to head that up.

Director Taylor stated he will contact them.

6. Phase 2A Framework & Technical Information

Item 6 was not presented.

Recess Projects Board of Directors/ Commence Regular Board of Directors at 3:19 P.M.

H. Open Discussion

No open discussion was presented.

I. Chair / Executive Director Report

Chair Pospichal thanked the City of Winter Haven for use of the facility and County staff for setting up the virtual meeting.

J. Adjournment

Board meeting adjourned by Chairman Pospichal at 3:20 P.M.

Next meeting July 15, 2020

July 15, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #2

SUBJECT

CFWI Water Conservation Grant Funding Application

DESCRIPTION

The Polk Regional Water Cooperative (PRWC) has determined that a regional approach to conservation is the best way for conservation measures to be more widely implemented across Polk County. In November 2019, the Board of Directors (BOD) authorized a co-funding application for 3rd party support to achieve that goal. In April of 2020, the Southwest Florida Water Management District (SWFWMD) Board gave a favorable ranking to this project and then agreed to grant 50% of the project cost (contingent upon SWFWMD budget approval), or \$84,358 of the total \$168,715, to PRWC so it can utilize a 3rd party in Fiscal Year 2021. Through this program, the 3rd party will support the implementation of programs which have been identified by the PRWC Conservation Team to be cost effective, and those which are recommended for further implementation by all member governments. The program will also improve upon public outreach on behalf of all member governments.

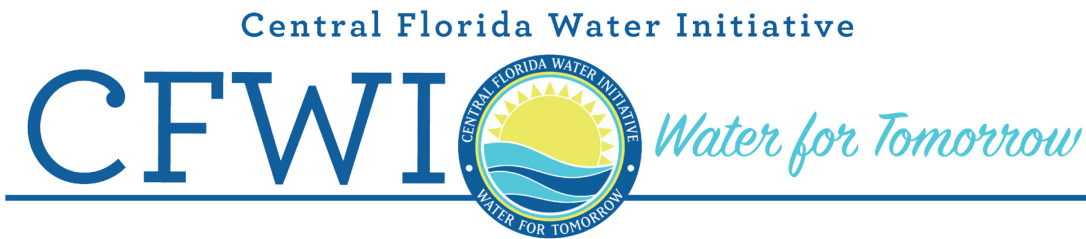
On June 24, 2020, the PRWC was notified that a second grant application for this program was accepted and will provide further funding under the Central Florida Water Initiative Water Conservation Grant program. With this second grant, \$84,358 will be shared between the PRWC and the SWFWMD, resulting in a total project grant (SWFWMD + CFWI) of \$126,537.

RECOMMENDATION

Consent Agenda – Recommend confirmation of grant award and project commencement.

FISCAL IMPACT

The PRWC would fund \$42,179 of the \$168,715 total project cost.



June 24, 2020

Mr. Gene Heath
Polk Regional Water Cooperative
330 W Church Street
Bartow, FL 33831

Subject: CFWI Water Conservation Grant Funding Application
Project: HET and Irrigation Controller Rebates

Dear Mr. Heath:

The Water Management Districts and the Florida Department of Environmental Protection (FDEP) would like to thank you for your commitment to conserving central Florida's water resources and for your application for grant funding consideration. Ten potential projects applied to take advantage of this CFWI Water Conservation funding opportunity.

The CFWI Steering Committee approved the selected grant funding projects at their May 29, 2020 meeting. We are pleased to inform you that your project was awarded \$84,358.00 in funding. Within the next few weeks, District staff may be contacting you to finalize the scope of work and associated deliverables. It is our intent to send you a contractual agreement in the mail for this project within the next few weeks. The contract will need to be signed by an individual with signature authority on behalf of Polk Regional Water Cooperative. Funding covers implementation related costs incurred and expended between July 1, 2020 and November 30, 2022.

Last and importantly, the economic impacts to State of Florida businesses and local governments due to the COVID-19 virus will not be realized for weeks and perhaps months. Your project was high on the review list and the District fully supports its value and benefit to our shared water resources. However, it is crucial that Polk Regional Water Cooperative evaluate the viability of providing the necessary funding and resources to implement and complete this project as proposed in your application. We fully understand a shifting of priorities in these times should you need to postpone moving forward with the project at this time.

Mr. Gene Heath
Subject: CFWI Water Conservation Grant Funding Application
Project: HET and Irrigation Controller Rebates
Page 2
June 24, 2020

We look forward to working with you on this important water conserving project. Should there be any questions, or if you require any additional information, contact Josh Madden at (352) 796-7211, extension 4197 or via email at josh.madden@swfwmd.state.fl.us.

Sincerely,

Mark E. Elsner, P.E.
Bureau Chief – Water Supply
South Florida Water Management District

Dale R. Jenkins, P.G.
Director – Division of Projects
St. Johns River Water Management District

Eric DeHaven, P.G.
Assistant Director – Resource Management Division
Southwest Florida Water Management District

c: Josh Madden, SWFWMD



swfwmd.gov



watermatters.org



www.sjrwmd.com

The CFWI encompasses five counties: Orange, Osceola, Polk and Seminole and southern Lake. Through the CFWI, three water management districts — South Florida, Southwest Florida and St. Johns River — are working collaboratively with other agencies and stakeholders to implement effective water resource planning, including water resource and supply development and management strategies to protect, conserve and restore our water resources. To learn more, please visit cfwiwater.com.

Attachment: CFWI_WC_AwdLtr_PRWC_20200624 (7680 : CFWI Water Conservation Grant Funding Application)

July 15, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #3

SUBJECT

Financial Report - Activities ending April 30, 2020

Admin

Year to date operating expenditures are \$94,818 which leaves \$103,182 remaining in the budget with five months left in the fiscal year. Also included in the admin fund are Demand Management Plan expenses of \$194,962 which 50% has been billed to SWFWMD and the WIFIA Loan Application Fee expense of \$100,000 which has been 100% billed to the members.

Projects

Year to date project expenditures total \$4,061,768. Year to date project revenues total \$3,857,658 which consists of \$2,116,015 in grant revenue from the Southwest Florida Water Management District and \$1,741,643 from the State Revolving Fund (SRF). The total to date of \$5,223,245 from SRF is recorded as a long-term liability. In addition, a receivable from members of \$5,223,245 is recorded on the balance sheet. In the future the \$5,223,245 will be repaid by members who did not choose to prepay their share of the project costs. The line of credit balance has increased to \$1,055,455.

Conservation

There has been minimal activity for the conservation grants during the fiscal year.

RECOMMENDATION

Consent Agenda - Recommend approval of financial report for activities ending April 30, 2020.

FISCAL IMPACT

N/A

CONTACT INFORMATION

Lance Schmidt, CPA, CFE
Principal - Clifton Larson Allen
Lance.Schmidt@claconnect.com

**POLK REGIONAL WATER COOPERATIVE
EXECUTIVE SUMMARY OF COMPILED FINANCIAL STATEMENTS
SEVEN MONTHS ENDED APRIL 30, 2020**

Admin

Year to date operating expenditures are \$94,818 which leaves \$103,182 remaining in the budget with five months left in the fiscal year. Also included in the admin fund are Demand Management Plan expenses of \$194,962 which 50% has been billed to SWFMD and the WIFIA Loan Application Fee expense of \$100,000 which has been 100% billed to the members.

Projects

Year to date project expenditures total \$4,061,768. Year to date project revenues total \$3,857,658 which consists of \$2,116,015 in grant revenue from the Southwest Florida Water Management District and \$1,741,643 from the State Revolving Fund (SRF). The total to date of \$5,223,245 from SRF is recorded as a long-term liability. In addition, a receivable from members of \$5,223,245 is recorded on the balance sheet. In the future the \$5,223,245 will be repaid by members who did not choose to prepay their share of the project costs. The line of credit balance has increased to \$1,055,455.

Conservation

There has been minimal activity for the conservation grants during the fiscal year.

**POLK REGIONAL WATER COOPERATIVE
FINANCIAL STATEMENTS
SEVEN MONTHS ENDED APRIL 30, 2020**



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AUDIT, TAX, AND
CONSULTING

**POLK REGIONAL WATER COOPERATIVE
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CliftonLarsonAllen LLP
CLAAconnect.com

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Polk Regional Water Cooperative
Polk County, Florida

Management is responsible for the accompanying financial statements of Polk Regional Water Cooperative, which comprise the statement of net position as of April 30, 2020, and the related statements of revenues, expenses and changes in fund net position and cash flows for the seven months then ended. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the U.S. GAAP basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the entity's assets, liabilities, net position, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has also omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board.

The supplementary information contained on pages 5-7 are presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Polk Regional Water Cooperative.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
March 9, 2020

**POLK REGIONAL WATER COOPERATIVE
STATEMENT OF NET POSITION
APRIL 30, 2020
(SEE ACCOUNTANTS' COMPILATION REPORT)**

CURRENT ASSETS

Cash - Project Funds Account	\$ 842,994
Cash - Wells Fargo Public Funds	158,448
Due from Member	34,483
Projects Receivable	1,372,105
Total Current Assets	<u>2,408,030</u>

NONCURRENT ASSETS

SRF Member Receivable	5,223,245
Land	35,000
Total Noncurrent Assets	<u>5,258,245</u>

Total Assets	<u><u>\$ 7,666,275</u></u>
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CURRENT LIABILITIES

Accounts Payable	\$ 1,568,959
WIFIA Application Fee Liability	100,000
Total Current Liabilities	<u>1,668,959</u>

NONCURRENT LIABILITIES

Wells Fargo Loan	1,055,455
SRF Loan	5,223,245
Total Noncurrent Liabilities	<u>6,278,700</u>

Total Liabilities	<u>7,947,659</u>
-------------------	------------------

NET POSITION

Restricted - Projects	54,714
Unrestricted	<u>(336,098)</u>

Total Net Position	<u>(281,384)</u>
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Total Liabilities and Net Position	<u><u>\$ 7,666,275</u></u>
------------------------------------	----------------------------

Attachment: Polk Regional Water Cooperative April 30, 2020 (7673 : Financial Report - Activities ending April 30, 2020)

POLK REGIONAL WATER COOPERATIVE
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
SEVEN MONTHS ENDED APRIL 30, 2020
(SEE ACCOUNTANTS' COMPILATION REPORT)

OPERATING REVENUES

Member Funding Revenue	\$ 148,500
Project Grant Revenue	2,116,015
Member Project Funding (State Revolving Fund Reimbursements)	1,741,643
WIFIA Application Fee	100,000
Demand Management Plan Reimbursements	97,481
Indoor Conservation	3,714
Outdoor BMP's	3,109
Total Operating Revenue	4,210,462

OPERATING EXPENSE

Project Expense	3,973,447
Demand Management Plan Reimbursements	194,962
WIFIA Application Fee	100,000
Contract Services	46,667
Legal Fees	106,752
Accounting Fees	14,420
Conservation Grant Expense	6,823
Other General Expenses	4,270
Total Expense	4,447,341

Operating Income (236,879)

NONOPERATING REVENUES (EXPENSES)

Interest Revenue	391
Interest Expense	(11,030)
Total Nonoperating Revenues	(10,639)

CHANGE IN FUND NET POSITION (247,518)

Fund Net Position - Beginning of Period (33,866)

FUND NET POSITION - END OF PERIOD \$ (281,384)

Attachment: Polk Regional Water Cooperative April 30, 2020 (7673 : Financial Report - Activities ending April 30, 2020)

**POLK REGIONAL WATER COOPERATIVE
STATEMENT OF CASH FLOWS
SEVEN MONTHS ENDED APRIL 30, 2020
(SEE ACCOUNTANTS' COMPILATION REPORT)**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Members	\$ 252,190
Receipts from Project Reimbursements	1,791,487
Receipts from Conservation Grants	6,823
Miscellaneous Receipts	97,481
Payments for Goods and Services	(4,382,704)
Net Cash From Operating Activities	<u>(2,234,723)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Net Borrowings on SRF	1,741,643
Net Borrowings on Line of Credit	500,000
Interest Paid	(11,030)
Net Cash From Financing Activities	<u>2,230,613</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts of Interest	<u>391</u>
Net Cash From Investing Activities	391
NET DECREASE IN CASH	(3,719)
Cash - Beginning of Period	<u>1,005,161</u>
CASH - END OF PERIOD	<u><u>\$ 1,001,442</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES	
Operating Loss	\$ (236,879)
Adjustments to Reconcile Operating Loss to Net Cash from Operating Activities:	
(Increase) Decrease in Assets:	
Due from Members	3,690
Project Receivables	(324,528)
SRF Member Receivable	(1,741,643)
Increase (Decrease) in Liabilities:	
Accounts Payable	<u>64,637</u>
Net Cash from Operating Activities	<u><u>\$ (2,234,723)</u></u>

Attachment: Polk Regional Water Cooperative April 30, 2020 (7673 : Financial Report - Activities ending April 30, 2020)

**POLK REGIONAL WATER COOPERATIVE
SCHEDULE OF REVENUE AND EXPENSES
BUDGET TO ACTUAL - ADMIN
SEVEN MONTHS ENDED APRIL 30, 2020**

	Actual	Budget	Amount Over (Under) Budget
REVENUES			
Member Funding Revenue	\$ 148,500	\$ 198,000	\$ (49,500)
Demand Management Plan Reimbursements	97,481	-	97,481
WIFIA Application Fee	100,000	-	100,000
Interest Income	391	-	391
Total Revenue	<u>346,372</u>	<u>198,000</u>	<u>148,372</u>
EXPENSES			
Accounting Fees	14,420	24,000	(9,580)
Audit Fees	-	15,000	(15,000)
Legal Fees	32,939	45,000	(12,061)
Contract Services	46,667	80,000	(33,333)
Administrative Assistant	-	5,000	(5,000)
Engineer	-	24,000	(24,000)
Demand Management Plan	194,962	-	194,962
WIFIA Application Fee	100,000	-	100,000
Other General Expenses	792	5,000	(4,208)
Total Expense	<u>389,780</u>	<u>198,000</u>	<u>191,780</u>
CHANGE IN NET POSITION	(43,408)	-	(43,408)
Net Position - Beginning of Period	<u>178,131</u>	<u>-</u>	<u>178,131</u>
NET POSITION - END OF PERIOD	<u><u>\$ 134,723</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 134,723</u></u>

Attachment: Polk Regional Water Cooperative April 30, 2020 (7673 : Financial Report - Activities ending April 30, 2020)

**POLK REGIONAL WATER COOPERATIVE
SCHEDULE OF REVENUE AND EXPENSES - PROJECTS
SEVEN MONTHS ENDED APRIL 30, 2020**

	<u>SE</u>	<u>WP</u>	<u>PC</u>	<u>PR</u>	<u>Project Admin</u>	<u>Total</u>
REVENUES						
Project Grant Revenue	\$ 1,079,180	\$ 767,715	\$ 170,747	\$ 98,373	\$ -	\$ 2,116,015
Member Project Funding (State Revolving Fund Reimbursements)	<u>561,260</u>	<u>963,055</u>	<u>167,329</u>	<u>49,999</u>	<u>-</u>	<u>1,741,643</u>
Total Revenue	1,640,440	1,730,770	338,076	148,372	-	3,857,658
EXPENSES						
Project Expense	2,160,609	1,274,598	341,493	196,747	-	3,973,447
Interest Expense	-	-	-	-	11,030	11,030
Legal Fees	-	-	-	-	73,813	73,813
Other General Expenses	-	-	-	-	3,478	3,478
Total Expenses	<u>2,160,609</u>	<u>1,274,598</u>	<u>341,493</u>	<u>196,747</u>	<u>88,321</u>	<u>4,061,768</u>
CHANGE TO NET POSITION	(520,169)	456,172	(3,417)	(48,375)	(88,321)	(204,110)
Net Position - Beginning of Period	<u>176,296</u>	<u>(244,826)</u>	<u>58,131</u>	<u>(12,222)</u>	<u>(189,376)</u>	<u>(211,997)</u>
NET POSITION - END OF PERIOD	<u>\$ (343,873)</u>	<u>\$ 211,346</u>	<u>\$ 54,714</u>	<u>\$ (60,597)</u>	<u>\$ (277,697)</u>	<u>\$ (416,107)</u>

Attachment: Polk Regional Water Cooperative April 30, 2020 (7673 : Financial Report - Activities ending

**POLK REGIONAL WATER COOPERATIVE
SCHEDULE OF REVENUE AND EXPENSES – CONSERVATION GRANTS
SEVEN MONTHS ENDED APRIL 30, 2020**

REVENUES	
Indoor Conservation	\$ 3,714
Outdoor BMP's	3,109
Total Revenue	<u>6,823</u>
EXPENSES	
Conservation Grant Expense	<u>6,823</u>
Total Expenses	<u>6,823</u>
CHANGE IN NET POSITION	
	-
Net Position - Beginning of Period	<u>-</u>
NET POSITION - END OF PERIOD	<u><u>\$ -</u></u>

Attachment: Polk Regional Water Cooperative April 30, 2020 (7673 : Financial Report - Activities ending April 30, 2020)

July 15, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #4

SUBJECT

Action Item - Accept Independent Auditor's Report for FY 2019

DESCRIPTION

Mike Brynjulfson, Brynjulfson CPA, P.A. will present the Executive Summary of Independent Audit results for Fiscal Year ending September 30, 2018.

The Polk Regional Water Cooperative received an Unmodified ("Clean") Opinion of its operations. Financial statements were free of material errors and were presented in accordance with Generally Accepted Accounting Principles (GAAP). The Auditors were able to determine that the actions taken by the Board were represented fairly by the financial transactions and that there were no material weaknesses in the PRWC's internal controls or no instances of noncompliance identified.

The audit report was filed with the Department of Revenue prior to the submission deadline of June 30, 2019.

RECOMMENDATION

Accept the FY 2018 Audit Report

FISCAL IMPACT

N/A

CONTACT INFORMATION

Mike Brynjulfson
Brynjulfson CPA, P.A.
Mike@myfloridacpas.com

Ryan J. Taylor
Executive Director
RyanTaylor@PRWCwater.org



Executive Summary of Independent Audit Results

Prepared by:  **BRYNJULFSON** CPA, PA
CERTIFIED PUBLIC ACCOUNTANTS

Attachment: Executive Audit Summary PRWC 2019 (7675 : Action Item - Accept

Independent Auditor's Report

(Page 1-2)

Required by AICPA auditing standards

- Type of Opinion Issued: Unmodified (“Clean”) Opinion.
- Financial Statement are free of material errors and are presented in accordance with Generally Accepted Accounting Principles (GAAP).
- Fair representation of what happened during the year.

Report on Internal Control and Compliance

(Page 23-24)

Established by the Comptroller General of the United States and required by the Rules of the Auditor General of the State of Florida.

- No material weaknesses in internal control identified.
- No instances of noncompliance reported.

Report on Compliance with Section 218.415, Florida Statutes

(Page 25)

Required by the Rules of the Auditor General of the State of Florida.

- The Cooperative was in compliance with Section 218.415, Florida Statutes which provides rules for investments and investment policies.

Report on State Loan Compliance and Internal Control Over Compliance

(Page 26-28)

Required by Section 215.97, Florida Statutes

- No material weaknesses in internal control *over compliance* identified.
- Type of Opinion Issued: Unmodified (“Clean”) Opinion
 - The Polk Regional Water Cooperative complied, in all material respects, with the compliance requirements of the SRF Loan Agreement DW532000 and the requirements in the *Department of Financial Services’ State Projects Compliance Supplement*.

Management Letter

(Page 29-30)

Required by the Rules of the Auditor General of the State of Florida.

- No adverse findings or recommendations

Governance Letter (Separate Report)

Required by AICPA auditing standards.

- No disagreements with management.
- No difficulties encountered while performing our audit.
- New accounting pronouncement adopted: GASBS No.88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements.*
- Audit adjustments and uncorrected misstatements.
 - No material audit adjustments
 - No known uncorrected misstatements



POLK REGIONAL WATER COOPERATIVE

EXECUTIVE SUMMARY OF INDEPENDENT AUDIT RESULTS

⁽¹⁾Independent Auditor's Report (Page 1-2):

- Type of Opinion Issued: Unmodified ("Clean") Opinion
- Financial statements are free of material errors and are presented in accordance with Generally Accepted Accounting Principles (GAAP).
- Fair representation of what happened during the year.

⁽²⁾Report on Internal Control and Compliance (Page 23-24):

- No material weaknesses in internal control over financial reporting identified.
- No instances of noncompliance reported.

⁽³⁾Report on Compliance with Section 218.415, Florida Statutes (Page 25):

- The Cooperative was in compliance with Section 218.415, Florida Statutes which provides rules for local government investments and investment policies.

⁽⁴⁾Report on State Loan Compliance and Internal Control over Compliance (State Single Audit Report) (Page 26-28):

- No material weaknesses in internal control over compliance identified.
- Type of Opinion on Compliance: Unmodified ("Clean") opinion.
 - The Polk Regional Water Cooperative complied, in all material respects, with the compliance requirements of the SRF Loan agreement DW 532000 and the applicable requirements of the Department of Financial Services.

⁽³⁾Management Letter (Page 29-30):

- No adverse findings or recommendations.

⁽¹⁾Governance Letter (separate report):

- No disagreements with management.
- No difficulties encountered while performing our audit.
- No material audit adjustments and no known uncorrected misstatements.

(1) - Required by AICPA auditing standards

(2) - Established by the Comptroller General of the United States and required by Rules of the Auditor General

(3) - Required by Rules of the Auditor General

(4) - Required by Section 215.97, Florida Statutes and Rules of the Auditor General.

July 15, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #5

SUBJECT

Action Item - Adopt Resolution 20-01 - Final Polk Regional Water Cooperative Budget - FY 20-21

DESCRIPTION

The final budget for Fiscal Year 2020-2021 (FY 21) of the Polk Regional Water Cooperative (PRWC) is being presented for the Board's consideration and approval. This budget is related to the operations of the PRWC which includes staff, outside support, legal, financial, and office incidentals at an amount of \$198,000.00, which is the same amount as Fiscal Years 2018, 2019 and 2020.

Since the proposed budget total is less than \$200,000.00, this budget may be approved by a majority vote of a Quorum of the BOD using the Normal Vote Method. Quorum is defined as a majority of voting Directors currently comprising the Board of Directors and Normal Vote Method is defined as a procedure by which each Director is assigned one vote.

Included with this agenda item is Resolution 20-01 which memorializes the BOD's action of approving the FY 20 Budget.

RECOMMENDATION

Recommend approval of Resolution 2020-01

FISCAL IMPACT

N/A

POLK REGIONAL WATER COOPERATIVE

Resolution 2020-01

**RESOLUTION APPROVING ADMINISTRATIVE EXPENSES PORTION OF
THE FINAL BUDGET FOR FY 2021**

The Polk Regional Water Cooperative (“Cooperative”), created pursuant to Section 373.713, Florida Statutes, and Interlocal Agreement pursuant to Section 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Interlocal Agreement creating the Cooperative entered into on June 1, 2016 (“Interlocal Agreement”) provides that:

The Cooperative shall prepare and submit reports, budgets and audits as provided in Sections 189.08, 189.015, 189.016, and 218.39, Florida Statutes. The Cooperative’s budget shall contain separate cost centers for Administrative Expenses and Water Project Costs. Water Project Costs may be consolidated into one Approved Water Project Cost center, groups of Approved Water Project Cost centers or into separate Approved Water Project Cost centers. The Board of Directors shall provide each Member Government with a notice of the Cooperative’s intention to adopt the budget along with a copy of the tentative budget no later than thirty days prior to the budget hearing. The Board of Directors shall approve the Administrative Expense portion of the budget by a majority vote of the Quorum using the Normal Vote Method, except that any decision to approve total Member Government annual contributions in excess of two hundred thousand (\$200,000) dollars shall be by seventy-five (75%) percent vote of the Quorum using the Weighted Vote Method. The Water Project Cost portion of the budget shall be approved by the Project Board(s) by a majority vote of the Quorum using the Weighted Vote Method. If the Water Project Cost portion of the budget is presented as one Approved Water Project cost center, then it must be approved by all project Boards. If the Water Project Cost portion of the budget is presented as separate cost centers representing one or more Approved Water Projects, then each separate cost center must be approved by the Project Board(s) associated with each Approved Water Project. The Cooperative’s duly adopted final budget shall be transmitted to or filed annually with the clerk or other similar official for each Member Government.

WHEREAS, the Cooperative’s Final Budget for FY 2021 is comprised of Administrative Expenses and Water Project Costs;

WHEREAS, the Interlocal Agreement provides for approval of the Administrative Expenses portion of the budget by the Cooperative Board of Directors, and approval of Water Project Costs portion of the budget by the Project Board;

WHEREAS, the Cooperative Board of Directors reviewed the Tentative Budget for FY 2021, including Administrative Expenses, at their regularly scheduled meeting on May 20, 2020;

WHEREAS, each Member Government was provided written notice of the Cooperative’s intention to adopt the Final Budget for FY 2021, along with a copy of the Tentative Budget for FY 2021, including Administrative Expenses and Water Project Costs, prior to the Board of Director’s regularly scheduled meeting on July 15, 2020;

WHEREAS, the Cooperative Board of Directors conducted a public hearing on the Final Budgets for FY 2021 on July 15, 2020 setting forth the Administrative Expenses, not including Water Project Costs; and

WHEREAS, the Cooperative Board of Directors approved the Administrative Expenses portion of the Final Budget for FY 2021 at their regularly scheduled meeting on July 15, 2020 in accordance with the vote method specified in the Interlocal Agreement.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Cooperative Board of Directors does hereby approve the Administrative Expenses portion of the Final Budget for FY 2021 attached hereto as Exhibit A.

DONE at Auburndale, Florida this 15th day of July, 2020

Board of Directors of the Polk Regional Water Cooperative:

Mayor Timothy Pospichal
Chair

Ryan J. Taylor
Executive Director

Approved as to Form:

Edward P. de la Parte
Legal Counsel

**Polk Regional Water Cooperative
Preliminary Annual Budget - Revenues
Fiscal Year 2020 - 2021**

	2018 Annual Average Water Use (MGD)	% of Total 2018 Water Use	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Budgeted	FY 2021 Proposed
MEMBER FUNDING COSTS								
Lakeland	20.56	31.64%	\$ 29,487.00	\$ 62,320.00	\$ 63,881.50	\$ 65,061.61	\$ 65,061.61	\$ 62,638.56
Unincorporated	15.16	23.33%	\$ 20,407.00	\$ 43,130.00	\$ 44,194.58	\$ 45,042.65	\$ 45,042.65	\$ 46,186.80
Winter Haven	9.49	14.60%	\$ 13,035.00	\$ 27,550.00	\$ 28,237.18	\$ 28,777.25	\$ 28,777.25	\$ 28,912.45
Haines City	4.71	7.25%	\$ 6,563.00	\$ 13,870.00	\$ 14,077.74	\$ 14,388.63	\$ 14,388.63	\$ 14,349.59
Auburndale	4.75	7.31%	\$ 6,293.00	\$ 13,300.00	\$ 13,595.01	\$ 13,763.03	\$ 13,763.03	\$ 14,471.46
Bartow	2.73	4.20%	\$ 4,136.00	\$ 8,740.00	\$ 9,035.77	\$ 9,071.09	\$ 9,071.09	\$ 8,317.28
Lake Wales	2.47	3.80%	\$ 3,416.00	\$ 7,220.00	\$ 7,449.57	\$ 7,507.11	\$ 7,507.11	\$ 7,525.16
Lake Alfred	0.95	1.46%	\$ 1,439.00	\$ 3,040.00	\$ 3,171.57	\$ 3,127.96	\$ 3,127.96	\$ 2,894.29
Davenport	1.25	1.92%	\$ 1,169.00	\$ 2,470.00	\$ 2,496.45	\$ 2,502.37	\$ 2,502.37	\$ 3,808.28
Dundee	0.65	1.00%	\$ 719.00	\$ 1,520.00	\$ 1,671.61	\$ 1,563.98	\$ 1,563.98	\$ 1,980.30
Fort Meade	0.54	0.83%	\$ 719.00	\$ 1,520.00	\$ 1,542.73	\$ 1,563.98	\$ 1,563.98	\$ 1,645.18
Mulberry	0.39	0.60%	\$ 539.00	\$ 1,140.00	\$ 1,295.39	\$ 1,251.18	\$ 1,251.18	\$ 1,188.18
Polk City	0.36	0.55%	\$ 539.00	\$ 1,140.00	\$ 1,159.28	\$ 1,251.18	\$ 1,251.18	\$ 1,096.78
Frostproof	0.40	0.62%	\$ 539.00	\$ 1,140.00	\$ 1,103.53	\$ 1,251.18	\$ 1,251.18	\$ 1,218.65
Eagle Lake	0.34	0.52%	\$ 500.00	\$ 950.00	\$ 1,017.39	\$ 938.39	\$ 938.39	\$ 1,035.85
Lake Hamilton	0.24	0.37%	\$ 500.00	\$ 950.00	\$ 1,070.70	\$ 938.39	\$ 938.39	\$ 731.19
Highland Park								
Hillcrest Heights								
Subtotal	64.99	100.00%	\$ 90,000.00	\$ 190,000.00	\$ 195,000.00	\$ 198,000.00	\$ 198,000.00	\$ 198,000.00

Attachment: FY21 PRWC Proposed Budget - Rev 052220a (7495 : Action Item - Adopt Resolution 20-01 -

**Polk Regional Water Cooperative
Preliminary Annual Budget - Expenditures
Fiscal Year 2020 - 2021**

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020			FY 2021
	Actual	Actual	Actual	Actual	12 Month Budget	6 Month Budget	Actual (6 Months)	Proposed
REVENUE								
Member Funding	\$ 90,000	\$ 190,000	\$ 195,000	\$ 198,000	\$ 198,000	\$ 99,000	\$ 99,000	\$ 198,000
Interest	\$ -	\$ -	\$ 1,608	\$ 675	\$ -	\$ -	\$ 372	\$ -
Demand Management Plan	\$ -	\$ -	\$ -	\$ 35,440	\$ -	\$ -	\$ 97,481	\$ 84,000
Miscellaneous	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 90,000	\$ 190,000	\$ 198,108	\$ 234,115	\$ 198,000	\$ 99,000	\$ 196,853	\$ 282,000
STAFF								
Executive Director	\$ 37,500	\$ 90,000	\$ 4,167	\$ 80,000	\$ 80,000	\$ 40,000	\$ 40,000	\$ 80,000
Administrative Assistant	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 2,500	\$ -	\$ 5,000
Engineer	\$ -	\$ -	\$ -	\$ -	\$ 24,000	\$ 12,000	\$ -	\$ 24,000
Demand Management Plan	\$ -	\$ -	\$ -	\$ 70,880			\$ 84,000	\$ 84,000
Construction Technician	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
Accountant	\$ 2,855	\$ 19,569	\$ 16,501	\$ 24,000	\$ 24,000	\$ 12,000	\$ 12,360	\$ 26,000
Staff Subtotal	\$ 40,355	\$ 109,569	\$ 20,668	\$ 174,880	\$ 133,000	\$ 66,500	\$ 136,360	\$ 219,000
OUTSIDE SUPPORT								
Audit	\$ -	\$ 5,000	\$ 10,000	\$ 12,000	\$ 15,000	\$ 7,500	\$ -	\$ 15,000
Legal	\$ 49,502	\$ 19,163	\$ 39,844	\$ 47,572	\$ 45,000	\$ 22,500	\$ 32,969	\$ 45,000
Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Outside Support Subtotal	\$ 49,502	\$ 24,163	\$ 49,844	\$ 59,572	\$ 60,000	\$ 30,000	\$ 32,969	\$ 60,000
PROJECTED OFFICE INCIDENTALS								
Bank Charge	\$ 43	\$ -	\$ -	\$ 13	\$ -	\$ -		\$ -
Advertising / Public Notices	\$ -	\$ -	\$ -	\$ 661	\$ -	\$ -	\$ 450	\$ 600
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Print / Reproduction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Publicity / Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Registration / Dues	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
State Fees / Assessment (\$175/yr)	\$ -	\$ -	\$ -	\$ 175	\$ -	\$ -	\$ 175	\$ 175
Telephone / Communication	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Equipment / Furnishings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Inclusive (not categorized)	\$ -	\$ 877	\$ 2,405	\$ 1,265	\$ 5,000	\$ 2,500	\$ -	\$ 2,225
Office Subtotal	\$ 143	\$ 877	\$ 2,405	\$ 2,114	\$ 5,000	\$ 2,500	\$ 625	\$ 3,000
TOTAL EXPENSES	\$ 90,000	\$ 134,609	\$ 72,917	\$ 236,566	\$ 198,000	\$ 99,000	\$ 169,954	\$ 282,000
SURPLUS / (DEFICIT)	\$ -	\$ 55,391	\$ 125,191	\$ (2,451)	\$ -	\$ -	\$ 26,899	\$ -

Attachment: FY21 PRWC Proposed Budget - Exp 070120 (7495 : Action Item - Adopt Resolution 20-01 -

July 15, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #6

SUBJECT

Information Item - Central Florida Water Initiative (CFWI) Update - Presentations by FDEP and SWFWMD

DESCRIPTION

The Central Florida Water Initiative (CFWI) is a collaborative process involving the Florida Department of Environmental Protection (FDEP), the St. Johns River Water Management District (SJRWMD), the South Florida Water Management District ("SFWMD"), the Southwest Florida Water Management (SWFWMD), regional public water supply utilities and other stakeholders. It encompasses all of Orange, Osceola, Polk and Seminole Counties and southern Lake County. In 2016, legislation was passed and codified in Section 373.0456, Florida Statutes. The statute directs FDEP to adopt uniform rules for consumptive use and water permitting within this area. This rulemaking effort is currently ongoing.

As part of the CFWI, substantial technical work has been generated concerning groundwater availability. According to FDEP and the water management districts, this information shows that adverse impacts to wetlands and other water resources are currently occurring in several areas in the CFWI. Although over 1,000 mgd of groundwater withdrawals have been permitted in the region, this technical work suggests that only 760 mgd may be sustainable.

Recently, the water management districts and FDEP have taken certain actions in light of this information. On or about June 19, 2020, the water management districts sent letters to all permittees within the CFWI stating that the districts must pay particular attention to permit durations in light of these adverse impacts and whether reasonable assurance has been provided to demonstrate that the conditions for permit issuance will be met for the duration of the permit. The letter states the districts intend to look very carefully, on a case-by-case basis, at whether a shorter duration permit (e.g., 5 years) should be issued.

Additionally, on July 1, 2020 FDEP released a draft of the uniform rules for the CFWI area. These rules contain several provisions that may impact existing permitted uses and accelerate the need to develop alternative water supplies. FDEP has scheduled workshops on July 9 and August 12 regarding these new rules and hopes to adopt the rules by end of year.

Since both these developments have the potential to substantially impact the existing permitted use of the PRWC's Members and the development of AWS projects to meet existing and future needs, the PRWC staff has invited FDEP and SWFWMD to make presentations to the Board of Directors concerning these new developments.

RECOMMENDATION

This is an information item.

FISCAL IMPACT

N/A



An Equal Opportunity Employer

Southwest Florida Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899

(352) 796-7211 or 1-800-423-1476 (FL only)

WaterMatters.org

F.6.a

Bartow Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)

Sarasota Office
78 Sarasota Center Boulevard
Sarasota, Florida 34240-9770
(941) 377-3722 or
1-800-320-3503 (FL only)

Tampa Office
7601 U.S. 301 North (Fort King Highway)
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)

June 17, 2020

Mark Taylor
Chair, Hernando, Marion

Michelle Williamson
Vice Chair, Hillsborough

Joel Schleicher
Secretary, Charlotte, Sarasota

Kelly S. Rice
Treasurer, Citrus, Lake, Levy,
Sumter

Jack Bispham
Manatee

Roger Germann
Hillsborough

James G. Murphy
Polk

Rebecca Smith
Hillsborough, Pinellas

Seth Weightman
Pasco

Brian J. Armstrong, P.G.
Executive Director

Mr. Ryan Taylor
Executive Director
Polk Regional Water Cooperative
330 West Church Street
Bartow, Florida 33831

Subject: Polk Regional Water Cooperative Partnership

Dear Ryan:

The Southwest Florida Water Management District (District) continues to support the Polk Regional Water Cooperative (PRWC) in the development of alternative water supplies. The 2015 and the draft 2020 Central Florida Water Initiative (CFWI) Regional Water Supply Plans indicate wetlands and lakes have already been impacted by groundwater withdrawals and alternative water supplies are needed to meet future demands. Recognizing the urgency to meet water supply needs and protect the water resources, our Governing Board prioritized funding for PRWC projects with the approval of two resolutions totaling \$65 million.

In December, our Governing Board reaffirmed the District's commitment to assist the PRWC in the development of 30 million gallons per day of alternative water supply and, at their last meeting, the Governing Board approved including \$11.7 million in the District's budget for final design and construction start-up for the Southeast Wellfield and Transmission project. This is in addition to the nearly \$11 million the District has already allocated to the PRWC's four ongoing projects.

The Florida Department of Environmental Protection recently provided the attached guidance to the water management districts on water use permitting in the CFWI Planning Area. The guidance outlines the need for potentially shorter permit durations, the district's ability to modify permitted quantities, and the need for permittees to develop alternative water supplies. Water Management Districts within the CFWI area will be paying particular attention to permit durations and whether reasonable assurance has been provided to demonstrate that the conditions for permit issuance will be met for the duration of the permit.

As you know, DEP has been working on a uniform rule for the CFWI in accordance with 2016 legislation. Final workshops will be conducted this summer, with the publication of a notice of proposed rule expected before the end of the year. The need for alternative supplies will be further supported by the resulting rule.

Attachment: 06-17-2020 Ryan Taylor PRWC Partnership (7678 : Information Item - Central Florida Water Initiative (CFWI) Update - Presentations

Mr. Ryan Taylor
Subject: Polk Regional Water Cooperative Partnership
Page 2 of 2
June 17, 2020

The District has a significant investment in the PRWC. Our resolutions committing \$65 million to the PRWC contain timelines and key milestones that must be met for the funding to be released. It is critical that the PRWC membership resolve their issues in a timely manner to continue the projects that are needed to meet their water supply needs and protect their water resources. Regional problems require regional solutions. The District appreciates the partnership with the PRWC, and we look forward to advancing these important regional projects together in the timelines specified in the funding resolutions.

Sincerely,



Brian Armstrong, P.G.
Executive Director



FLORIDA DEPARTMENT OF Environmental Protection

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, FL 32399

Ron DeSantis
Governor

Jeanette Nuñez
Lt. Governor

Noah Valenstein
Secretary

TO: Douglas Burnett, Chair, SJRWMD
Dr. Ann Shortelle, Executive Director, SJRWMD
Mark Taylor, Chair, SWFWMD
Brian Armstrong, Executive Director, SWFWMD
Chauncey Goss, Chair, SFWMD
Drew Bartlett, Executive Director, SFWMD

FROM: Adam Blalock, Esq. *AFB*
Deputy Secretary, Ecosystem Restoration

SUBJECT: Guidance Memo re: Interim Consumptive Use Permitting (CUP) within
the Central Florida Water Initiative Area

DATE: June 5, 2020

In December 2013, the Florida Department of Environmental Protection (DEP or Department) provided guidance to the water management districts regarding the implementation of their consumptive use permitting programs while the Central Florida Water Initiative Regional Water Supply Plan (CFWI RWSP) was in development. Since that time, the CFWI has made significant progress in our collaborative effort to plan for the future water supply needs of Central Florida while sustaining our natural resources. In November 2015, the Districts' Governing Boards approved the first CFWI RWSP, which included estimates and projections to 2035. The 2015 CFWI RWSP has been updated based on a planning horizon of 2040, and it is expected that the draft 2020 CFWI RWSP will be considered by the Districts' Governing Boards in late 2020. The 2020 RWSP has identified a groundwater supply shortfall based on the 2040 groundwater demand projections.

In 2016, legislation was passed and codified in Section 373.0465, F.S., that addresses water supply planning in the CFWI. The statute directs continuation of the collaborative process among the state and regional agencies, regional public water supply utilities, and other stakeholders. In addition, Section 373.0465(2)(d), F.S., requires DEP to adopt uniform rules for consumptive use and water use permitting (CUP/WUP), Minimum Flows and Minimum Water Levels (MFLs) and water reservations. The Department has held numerous rulemaking workshops, in coordination with the water management districts, the Florida Department of Agriculture and Consumer Services, and other stakeholders, to develop uniform rules for application within the CFWI Planning Area. That rulemaking effort is currently ongoing. In the interim, the water management districts must continue to perform their statutory responsibility to review and process consumptive use permit applications under applicable statutory and rule provisions. The purpose of this memo is to provide guidance to the districts in implementing the CUP program during this interim time period. This guidance is effective immediately.

Coordination on Pending Applications

There is a continuing need for coordination and the three water management districts are directed to closely coordinate agency action on consumptive use permit applications within the CFWI Planning Area and provide transparency in the application process for water users and other stakeholders in the region. In order to achieve this comprehensive review of proposed water withdrawals within the CFWI Planning Area, the water management districts should continue to exchange information on all permit applications that could have harmful impacts to water resources or cause impacts to existing legal users within the CFWI. Information exchanged in furtherance of this effort should be provided to the applicant and considered in any subsequent requests for information or in the staff report or permit issued by the reviewing water management district.

Permit Duration

As part of the CFWI, substantial technical work has been generated concerning groundwater availability in the Central Florida region. This information represents the best available technical information concerning current and projected water resource conditions, which shows that adverse impacts to wetlands and other water resources are currently occurring in several areas in the CFWI. Some impacts are the result of multiple factors, including groundwater withdrawals.

The districts are expected to utilize this information during review of applications for consumptive use permits and pay particular attention to the reasonable assurances provided that the conditions for permit issuance will be met for the duration of the permit in accordance with Section 373.236, F.S. While Section 373.236, F.S., indicates permits shall be granted for 20 years, this statute also indicates the potential for shorter permit durations that reflect the period for which reasonable assurances can be provided. Given the circumstances existing in the CFWI, a case by case analysis of whether or not a shorter permit duration should be issued is warranted, and this decision should be carefully analyzed by the district.

Water Conservation

While significant achievements have been made in water conservation and the use of reclaimed water in the CFWI area, continued improvement is required, particularly given that use is approaching, or in some areas, has exceeded, the sustainable yield of the upper Floridan aquifer. The districts should continue to require applicants to demonstrate, through careful compliance with existing district rules for water use efficiency and conservation plans, that the proposed use is reasonable-beneficial.

In October 2019, the CFWI Steering Committee approved the Conservation Implementation Strategy. The goal of the Strategy is to (1) identify quantifiable conservation savings between 2010 to date; (2) analyze the trend of quantifiable conservation savings through the planning horizon of 2035; and (3) identify and quantify conservation best management practices (BMPs) and programs that can be used to meet the Steering Committee's goal of exceeding the 2035 conservation projection. The Strategy presents the information by water use category and is available at: www.cfwewater.com/waterconservation.html. The districts should continue efforts as outlined in the strategy, and its successors.

To further promote public education and awareness related to the need for water conservation, the Districts shall include the water conservation Limiting Condition provided in the section below on permits issued in the CFWI area.

Permit Application Documentation and Permit Conditions

It is important for applicants who receive permits during this interim period to be put on notice that they are located within the CFWI area and that the solutions and strategies that are developed may affect permitted water users in the future. Therefore, the districts should include the following language in the staff documentation (technical staff report or abstract) prepared for each application, and include the following Limiting Conditions on permits issued:

Staff Report or Abstract Language:

This application satisfies existing conditions for permit issuance because *(insert reasoning regarding water resources, existing legal users, demand, etc.)*

The recommended permit duration is commensurate with the applicant's ability to satisfy conditions of permit issuance. *(Insert explanation as needed.)*

The proposed water use is located within the area of the Central Florida Water Initiative (CFWI). The CFWI is a collaborative regional water supply endeavor to protect, conserve, and restore water resources in the area by working to accomplish the goals presented in the Central Florida Water Initiative Guidance Document. These goals include crafting long-term water supply solutions for the Central Florida region. The CFWI effort may also result in specific regulatory requirements. While the scope and content of these regulatory requirements are unknown at this time, it is possible they may include requirements that are related to the permittee's relative contribution to the water resource impact being addressed, the timing of permit issuance compared to other existing legal users, and/or include other considerations.. Therefore, this permit includes Limiting Condition ## that provides specific notification that the permit may be modified during the term of the permit to address unanticipated harm or impacts to existing legal users that is occurring or is projected to occur from the permittee's authorized withdrawal over the permit duration.

Since this application is located within the CFWI area, it is necessary for the applicant to consider implementing the heightened water conservation requirements defined in Limiting Condition ##.

The applicant is advised to carefully consider its infrastructure investments in light of the ongoing Central Florida Water Initiative.

Permit Limiting Conditions:

##. Notice included in new permits; modifications with increases in allocation or duration, except permit duration extensions associated with conservation achieved pursuant to the Applicant's Handbook for Water Use Permit Applications criterion

[2.3.2. F.1.c. and Rule 40E-2.331(4)(a)2.b. (SFWMD), 1.4.3.3.1(c) (SJRWMD)}, and 2.4.8.7 (SFWMD), when effective) and *I* or renewals beginning (*Insert Date of Guidance Memo*):

This project is located in the Central Florida Water Initiative (CFWI) area, an area with ongoing impacts to water resources which are being addressed by the CFWI. If the District determines that adverse impacts to water resources or existing legal users are occurring or are projected to occur because of the Permittee's authorized withdrawals over the permit duration, the District, upon reasonable notice to the permittee and including a statement of facts upon which the District based its determination, may modify quantities permitted or other conditions of the permit, as appropriate, to address the impact, but only after an opportunity for the permittee to resolve or mitigate the impact or to request a hearing. Such modification, if any, will consider such factors as the permittee's relative contribution to the water resource impact being addressed due to groundwater withdrawals, the timing of this permit issuance compared to presently existing legal use of water, and other considerations identified. Modifications may include mitigation of impacts and *I* or reconsideration of allocations or requirements to timely implement required actions that are consistent with the long-term, regional water supply solutions as implemented by rules. Such actions may include the development of alternative water supplies, the implementation of water resource and *I* or water supply development projects, the application of impact offsets or substitution credits, operating plans, heightened water conservation or other appropriate actions. Nothing in this condition is intended to abrogate the rights of the Governing Board or of any other person under Section 373.233, Florida Statutes.

##. The Central Florida Water Initiative documented existing water resource environmental impacts within its boundaries. This Initiative remains underway and is, in part, crafting long-term regulatory water supply solutions for the region. As a component of immediate, interim measures the permittee is encouraged to participate in the District's on-going, heightened water conservation public education program. Given the permittee's use class, opportunities may include such activities as participation in water conservation public service announcements, demonstrations of irrigation efficiency at community gardens, posting water conservation information or links on the permittee's website. Please contact (INSERT contact information) to discuss opportunities for participation in this important District effort.

If you have any questions regarding this guidance memo, please contact Edward C. Smith, Director of the Office of Water Policy and Ecosystems Restoration, at Edward.C.Smith@floridaDEP.gov or (850) 245-3169.

DRAFT July 1, 2020

Notice of Proposed RuleDEPARTMENT OF ENVIRONMENTAL PROTECTION

RULE NO.: RULE TITLE:

62-41.300: Central Florida Water Initiative Area, Scope of Rule62-41.301: Central Florida Water Initiative Area, Uniform Conditions for Issuance of Permits62-41.302: Central Florida Water Initiative Area, Supplemental Applicant's Handbook62-41.303: Central Florida Water Initiative Area, Variances to the Uniform Rules62-41.304: Central Florida Water Initiative Area, Uniform Process for Setting Minimum Flows and Minimum Water Levels and Water Reservations62-41.305: Central Florida Water Initiative Area, Applicability of the Dover/Plant City and Southern Water Use Caution Area Recovery Strategies

PURPOSE AND EFFECT:

SUMMARY:

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

RULEMAKING AUTHORITY: Section 373.043, 373.0465, 373.171, F.S.

LAW IMPLEMENTED: Section 373.019, 373.036, 373.042, 373.0421, 373.0465, 373.223, 373.229, F.S.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

(OR)

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: Christina Coger, 3900 Commonwealth Boulevard, Mail Station 46, Tallahassee, Florida 32399, 850-245-3150, Christina.G.Coger@FloridaDEP.gov. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Christina Coger, 3900 Commonwealth Boulevard, Mail Station 46, Tallahassee, Florida 32399, 850-245-3150, Christina.G.Coger@FloridaDEP.gov.

THE FULL TEXT OF THE PROPOSED RULE IS:

62-41.300 Central Florida Water Initiative Area, Scope of Rules

(1) Rules 62-41.300 through 62-41.305, F.A.C., and the Central Florida Water Initiative Area Supplemental Applicant's Handbook (Supplemental Applicant's Handbook), incorporated by reference in Subsection 62-41.302(1), F.A.C., (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>) implements section 373.0465(2)(d), F.S. These rules apply to consumptive use permit applicants in the Central Florida Water Initiative (CFWI) Area as defined in section 373.0465(2)(a), F.S., and supersede those portions of Chapters 40C-2, 40D-2 and 40E-2, F.A.C., regulating the consumptive use of water in the CFWI area explicitly identified in this chapter. These rules only supersede the rules of the St. Johns River Water Management District (SJRWMD), Southwest Florida Water Management District (SWFWMD) or South Florida Water Management District (SFWMD) (collectively, the "Districts") when explicitly provided in Rules 62-41.300 through 62-41.305 or the Supplemental Applicant's Handbook.

(2) The SJRWMD shall implement this chapter and the provisions of the Supplemental Applicant's Handbook in conjunction with provisions of Chapter 40C-2, F.A.C., and the SJRWMD Applicant's Handbook for the Consumptive Uses of Water, which is incorporated in paragraph 40C-2.101(1)(a), F.A.C., (<https://www.flrules.org/gateway/reference.asp?No=Ref-09818>).

(3) The SWFWMD shall implement this chapter and the provisions of the Supplemental Applicant's Handbook in conjunction with provisions of Chapter 40D-2, F.A.C., and the SWFWMD Water Use Permit Applicant's

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Handbook, Part B, which is incorporated in paragraph 40D-2.091(1)(a), F.A.C., (<https://www.flrules.org/Gateway/reference.asp?No=Ref-11553>).

(4) The SFWMD shall implement this chapter and the provisions of the Supplemental Applicant's Handbook in conjunction with provisions of Chapter 40E-2, F.A.C., and the Applicant's Handbook for Water Use Permit Applications, which is incorporated in subsection 40E-2.091(1), F.A.C., (<http://www.flrules.org/Gateway/reference.asp?No=Ref-05791>).

(5) Paragraph 373.0465(2)(e), F.S., directs the Districts to implement these rules within the CFWI Area without the need for further rulemaking.

(6) The phrases "Consumptive Use Permit," "Consumptive Use Permitting," or "Consumptive Use Applicants" are synonymous with "Water Use Permit," "Water Use Permitting," or "Water Use Applicants," respectively, as used by the Districts.

(7) The Central Florida Water Initiative region is a water resource caution area for purposes of Chapter 403, F.S., and Chapter 62-40, F.A.C.

Rulemaking Authority 373.043, 373.0465, 373.171 FS. Law Implemented 373.019, 373.036, 373.042, 373.0421, 373.0465, 373.223, 373.229, FS. History—New _____.

62-41.301 Central Florida Water Initiative Area, Uniform Conditions for Issuance of Permits

For consumptive use applicants within the CFWI Area, this rule supersedes in their entirety subsections 40C-2.301(1) and (2) and subsections 40D-2.301(1) and (2); and subsection 40E-2.301(1), F.A.C.

(1) To obtain a consumptive use permit, renewal, or modification within the CFWI Area, an applicant must provide reasonable assurance that the proposed consumptive use of water, on an individual and cumulative basis:

- (a) Is a reasonable-beneficial use;
- (b) Will not interfere with any presently existing legal use of water; and
- (c) Is consistent with the public interest.

(2) In order to provide reasonable assurances that the consumptive use is reasonable-beneficial, an applicant shall demonstrate that the consumptive use:

- (a) Is a quantity that is necessary for economic and efficient use;
- (b) Is for a purpose and occurs in a manner that is both reasonable and consistent with the public interest;
- (c) Will utilize a water source that is suitable for the consumptive use;
- (d) Will utilize a water source that is capable of producing the requested amount;
- (e) Will utilize the lowest quality water source that is suitable for the purpose and is technically,

environmentally, and economically feasible, except for those agricultural uses outlined in Section 2.9 of the Central Florida Water Initiative Area Supplemental Applicant's Handbook, incorporated in subsection 62-41.302(1), F.A.C. (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>);

- (f) Will not cause harm to existing offsite land uses resulting from hydrologic alterations;
- (g) Will not cause harm to the water resources of the area in any of the following ways:

1. Will not cause harmful water quality impacts to the water source resulting from the withdrawal or diversion;
2. Will not cause harmful water quality impacts from dewatering discharge to receiving waters;
3. Will not cause harmful saline water intrusion or harmful upconing;
4. Will not cause harmful hydrologic alterations to natural systems, including wetlands or other surface waters;

and

- 5. Will not otherwise cause harmful hydrologic alterations to the water resources of the area;
- (h) Is in accordance with any minimum flow or level and implementation strategy established pursuant to sections 373.042 and 373.0421, F.S.; and
- (i) Will not use water reserved pursuant to section 373.223(4), F.S.

(3) The standards, criteria, and conditions in the Applicant's Handbooks identified in subsections 62-41.300(2) – (4), F.A.C., and the Supplemental Applicant's Handbook incorporated by reference in subsection 62-41.302(1), F.A.C. shall be used to determine whether the requirements of subsections (1) and (2) are met.

(4) All Consumptive Use Permits with withdrawal points within the CFWI are hereby modified to conform with this Rule, and applicable permit conditions specified in Section 5.0, of the Supplemental Applicant's Handbook, incorporated by reference in 62-41.300 through 62-41.302, F.A.C., are incorporated into all CUPs within the CFWI.

Rulemaking Authority 373.043, 373.0465, 373.171 FS. Law Implemented 373.019, 373.036, 373.042, 373.0421, 373.0465, 373.223, 373.229, FS. History—New _____.

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62-41.302: Central Florida Water Initiative Area, Supplemental Applicant's Handbook

(1) Rules 62-41.302 through 62-41.305, F.A.C., shall be used in conjunction with the Central Florida Water Initiative Area Supplemental Applicant's Handbook (Supplemental Applicant's Handbook), effective [date], which is hereby adopted and incorporated by reference herein. (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>). Materials adopted by reference in this chapter are also available from the Department of Environmental Protection's Internet Site [link], or by contacting the Office of Water Policy, Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station 46, Tallahassee, Florida 32399, 850-245-3150). Design Aids referenced within the Supplemental Applicant's Handbook are not incorporated by reference and are for information purposes only.

(2) Each chapter of the Supplemental Applicant's Handbook includes a statement clearly indicating what section(s) of the Districts' Applicant's Handbooks, the Supplemental Applicant's Handbook supersedes and replaces. Any section of a Districts' Applicant's Handbooks that is not explicitly superseded and replaced by the Supplemental Applicant's Handbook shall remain in full force and effect for all users within that Districts' jurisdiction, including the CFWI Area.

Rulemaking Authority 373.043, 373.0465, 373.171 FS. Law Implemented 373.019, 373.036, 373.042, 373.0421, 373.0465, 373.223, 373.229, FS. History—New _____.

62-41.303: Central Florida Water Initiative Area, Variances to the Uniform Rules

(1) Scope. Applicants may seek a variance from Rules 62-41.301 and 62-41.302, F.A.C., and the provisions of the Supplemental Applicant's Handbook if there are unique circumstances or hydrogeological factors that make application of the uniform rules unrealistic or impractical. A variance under this rule is as defined in Section 120.52(21), F.S. (2020) Variances under this rule shall not be granted for any requirements relating to the Southern Water Use Caution Area or the Dover/Plant City Water Use Caution Area, provisions of which are incorporated by reference in Rule 62-41.305, F.A.C., (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>). Nothing in this rule shall preclude a petitioner from applying for variances or other relief mechanisms under other provisions of law.

(2) Delegation. The Department hereby delegates to the South Florida, Southwest Florida, and St. Johns River Water Management Districts the authority to grant or deny variances under this section to applicants/permittees within their district. At least 15 days prior to granting a request for variance, a district must notify the Executive Director of the other two Water Management Districts and the Director of the Department's Office of Water Policy and Ecosystem Restoration that it intends to grant the variance.

(3) An applicant seeking a variance under section 373.0465, F.S., from the provisions of Rules 62-41.301 or 62-41.302, F.A.C., or the provisions of the Supplemental Applicant's Handbook must demonstrate that there are unique circumstances or hydrogeological factors that make application of the uniform rules unrealistic or impractical. For the purposes of this rule, unrealistic or impractical shall mean compliance with the rule will create a substantial hardship or would violate the principles of fairness. For purposes of this section, "substantial hardship" means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, "principles of fairness" are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.

(4) Applicants for a variance may not claim that compliance with another Department or District statute or rule justifies the need for a variance. Applicants may seek variances from those statutes or rule through the applicable variance procedures.

(5) The Districts shall only grant variances when the applicant demonstrates that it has achieved or will achieve the purpose of the underlying statute by other means.

(6) Petitions for variance must include the following information:

(a) A caption, which shall read:

Petition for Variance from Rule (Citation)

(b) The name, address, any e-mail address, telephone number, and any facsimile number of the petitioner, if the party is not represented by an attorney or a qualified representative;

(c) The name, address, e-mail address, telephone number, and any facsimile number of the attorney or qualified representative of the petitioner, if any;

(d) The applicable rule or portion of the rule or handbook;

(e) The citation to the statute the rule is implementing;

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- (f) The type of action requested;
- (g) The specific facts that demonstrate there are unique circumstances or hydrogeological factors that make application of the uniform rules unrealistic or impractical;
- (h) The reason why the variance requested would serve the purposes of the underlying statute; and
- (i) A statement whether the variance is permanent or temporary. If the variance is temporary, the petition shall include the dates indicating the duration of the requested variance.

(7) The District shall review a petition for a variance under Section 373.0465(2)(d), F.S., within 30 days after receipt to determine if the application is complete. If the petition is incomplete, the District shall request additional information and cite the applicable paragraph or subparagraph in this rule upon which it is making such request. Within 30 days after receipt of such additional information, the District shall review the additional information and may request any other information needed to clarify the additional information or to answer new questions raised by, or directly related to, the additional information. If the petitioner asserts that any request for additional information is not authorized by law or by rule, the petitioner may direct the District to process the petition without the requested information. Upon the receipt of such direction, the District shall process the petition without the requested information.

(8) The District shall publish in the Florida Administrative Register a notice of availability of the intended agency action on the petition for a variance under section 373.0465(2)(d), F.S. The petitioner shall publish notice of intended agency action on the petition once, at his own expense, in a newspaper of general circulation (as defined in Section 50.031, F.S.) in the county or counties in which its withdrawal is located.

(9) If granted, a variance will be issued to run concurrently with the corresponding permit.

(10) Renewals of variances shall be applied for and reviewed in the same manner as the initial variance.

Rulemaking Authority 373.016, 373.043, 373.0465, 373.171 FS. Law Implemented 373.016, 373.019, 373.036, 373.042, 373.0421, 373.0465, 373.223, 373.229, FS. History—New _____.

62-41.304: Central Florida Water Initiative Area, Uniform Process for Setting Minimum Flows and Minimum Water Levels and Water Reservations

(1) Priority List. Prior to submittal to the Department for approval pursuant to section 373.042(3), F.S., each District proposing a Minimum Flow or Minimum Water Level (MFL) or Reservation in the Central Florida Water Initiative (CFWI) Area shall:

(a) Hold a meeting among staff of the Department, and the St. Johns River Water Management District, the Southwest Florida Water Management District, and the South Florida Water Management District (the “Districts”) to discuss the CFWI waterbodies proposed for inclusion on the Priority List;

(b) Notice and hold at least one joint public workshop within the CFWI Area with the Districts to discuss each district’s proposed priority list applicable to the CFWI. Such notice shall affirmatively state that the Districts and the Department have held the meeting required by paragraph (1)(a), above.

(c) Priority Lists shall conform with the requirements set forth in section 373.042(3), F.S. and subsection 62-40.473(9), F.A.C. In addition to those requirements, if there is an impact potential across water management district boundaries from withdrawals in the CFWI, the priority list shall specifically identify the cross-boundary impact potential as being from within the CFWI.

(2) Consistent Method for Establishing MFLs.

(a) When establishing an MFL, the Districts shall comply with the requirements of sections 373.042 and 373.0421, F.S., and Rule 62-40.473, F.A.C.

(b) When establishing an MFL, the adopting District shall consider the unique characteristics of the waterbody and basin as determined using the best available information. The adopting District shall provide the technical information supporting any proposed MFL to the non-adopting Districts and the Department. Sharing of information shall take place prior to seeking independent scientific peer review or prior to publishing a Notice of Proposed Rule, whichever comes first.

(3) Status of the MFL Waterbody. When determining whether the flow(s) and/or level(s) of a specific MFL water body are below or projected to fall below the adopted MFL criteria, the District within which the MFL is located shall use the status assessment approach that includes a screening level analysis and a causation analysis, when applicable pursuant to the 62-41.304(3)(a)-(c), F.A.C.. This status assessment is independent from and not a determination of consumptive use permit compliance or environmental resource permit compliance. Permit compliance is a regulatory function that is not within the scope of this subsection.

(a) A screening level analysis, which includes the incorporation of changes in rainfall trends, must be performed

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for waterbodies in the CFWI area periodically following adoption to monitor the status of an adopted MFL.

(b) If the screening level analysis shows that the MFL is being met based on the flows or levels adjusted by rainfall trends, then no further actions are required beyond continued monitoring.

(c) If the screening level analysis indicates that the MFL is not being met, or is trending toward not being met based on the flows and levels adjusted by rainfall trends, the District will conduct a causation analysis to independently evaluate the potential impacts of various stressors on the MFL water body being assessed.

1. Factors other than consumptive uses of water (e.g., long-term drought) can cause the flow or level of a surface watercourse, aquifer, surface water, or spring to drop below an adopted minimum flow or level. The factors to be considered in the determination of causation shall be based on the use of best professional judgment and include:

- a. Rainfall or other climatic variables;
- b. Consumptive use;
- c. Land use changes or development;
- d. Surface water drainage;
- e. Changes in hydrology and hydraulics
- f. Geology/hydromorphology (e.g., sinkhole formation);
- g. Water levels/flows in other appropriate water resources (e.g., nearby wells, lakes, streams, wetlands);
- h. Ecological assessment information; and,
- i. Other factors that can be reasonably shown to cause a change in the flow or level.

2. The tools used in the causation analysis shall be based on the use of best professional judgment and may include:

- a. Double-mass analyses;
- b. Statistical analysis of climate variables and flow and/or water level;
- c. Stage and/or flow duration and frequency analysis;
- d. Modeling (groundwater/surface water, ecological or water budget models);
- e. Ecological tools;
- f. Distribution of groundwater use and withdrawal rate history;
- g. Aquifer water level trend analysis; and
- h. Degree of aquifer confinement.

3. Based on the causation analysis, the District shall develop or amend a recovery or prevention strategy including any applicable rulemaking, as appropriate, consistent with the provisions of section 373.0421(2), F.S.

(4) Development of MFL Recovery and Prevention Strategies.

(a) Recovery and Prevention Strategies shall be developed when required pursuant to and consistent with Section 373.0421, F.S., and Rule 62-40.473, F.A.C.

(b) When required, Recovery and Prevention Strategies shall either be developed for individual waterbodies or regionally.

(c) Recovery and Prevention Strategies may contain regulatory and non-regulatory provisions, as appropriate.

(d) The Recovery or Prevention Strategy must address existing uses, renewals or modifications of existing uses, and new uses that may impact the subject MFL.

(5) Consistent Method to Set Reservations.

(a) Water reserved from use shall comply with the requirements of section 373.223(4), F.S., and Rule 62-40.474, F.S.

(b) A reservation adopted after the effective date of this rule shall specifically state, as applicable, whether the reservation is being used for the protection of fish and wildlife or public health and safety.

Rulemaking Authority 373.043, 373.0465, 373.171 FS. Law Implemented 373.019, 373.036, 373.042, 373.0421, 373.0465, 373.223, 373.229, FS. History—New _____.

62-41.305: Central Florida Water Initiative Area, Applicability of the Dover/Plant City and Southern Water Use Caution Area Recovery Strategies

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(1) Pursuant to section 373.0465(d), F.S., this rule adopts existing recovery strategies within the Central Florida Water Initiative (CFWI) Area adopted before July 1, 2016. This includes only the Southern Water Use Caution Area (SWUCA) and the Dover/Plant City Water Use Caution Area (Dover/Plant City WUCA) Recovery Strategies.

(2) By adoption, the Department ensures that these recovery strategies remain in effect in the areas currently covered by these strategies within the Southwest Florida Water Management District (SWFWMD). Nothing in this rule shall be interpreted to apply these recovery strategies to other areas within the CFWI Area.

(3) The Department hereby adopts and incorporates by reference herein the following provisions of Chapter 40D-2, F.A.C., and Chapter 40D-80, F.A.C., which shall apply to all applicants located within the SWUCA or Dover/Plant City WUCA, as applicable:

(a) Paragraph 40D-2.801(3)(b), F.A.C., effective May 19, 2014, including all subparts, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>);

(b) Paragraph 40D-2.801(3)(c), F.A.C., effective May 19, 2014, including all subparts (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>);

(c) Rule 40D-80.074, F.A.C., effective May 19, 2014, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>), entitled “Regulatory Portion of Recovery Strategy for the Southern Water Use Caution Area”;

(d) Rule 40D-80.075, F.A.C., effective May 19, 2014, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>), entitled “Regulatory Portion of Recovery Strategy for the Dover/Plant City Water Use Caution Area”;

(e) Paragraph 40D-2.331(2)(b), F.A.C., effective September 29, 2015, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>), relating to all requests to self-relocate or to increase withdrawals that impact or are projected to impact a water body with an established Minimum Flow or Level;

(f) Rule 40D-2.621, F.A.C., effective date May 19, 2014, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>), relating to individual consumptive use permits for irrigation;

(4) The Department hereby adopts and incorporates by reference the following provisions of the Southwest Florida Water Management District’s Applicant’s Handbook, Part B, effective date **February 18, 2020**, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>), which shall apply to all applicants located within the SWUCA or Dover/Plant City WUCA, as applicable, and shall be used in addition to provisions of the Supplemental Applicant’s Handbook, incorporated by reference in Subsection 62-41.302(1), F.A.C., (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>) where notated:

(a) Section 2.1, relating to the demonstration of water need,

(b) Section 2.1.1.4, inclusive of all subsections, relating to Water Use Permits with alternative water supplies in the SWUCA or Dover/Plant City WUCA”;

(c) Section 2.2.4, regarding the loss of alternative water supplies;

(d) Sections 2.3.7, inclusive of all subsections and 2.4.8.4 inclusive of all subsections, relating to public supply use demand. For the purposes of implementing this Section, the Department hereby also incorporates by reference SWFWMD’s Applicant’s Handbook, Part D, effective date May 19, 2014, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>);

(e) Section 2.4.3.1.1 and 2.4.3.1.7., providing for the calculation of allocation. For the purposes of implementing this Section, the Department hereby also incorporates by reference SWFWMD’s Agricultural Water Allotment Form, Form No. LEG-R.042.00, effective date May 19, 2014, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>);

(f) Section 2.4.7.1.5, inclusive of all subsections, relating to golf course conservation requirements;

(g) Section 2.4.8.5, applicable to all wholesale public supply applicants located within the SWUCA;

(h) Section 3.9.2, inclusive of all subsections, providing regulatory requirements in the SWUCA;

(i) Section 3.9.4, inclusive of all subsections, providing regulatory requirements in the Dover/Plant City WUCA;

(j) Section 4.1.1, relating to water flow monitoring and calibration as applicable within the Dover/Plant City WUCA and SWUCA;

(k) Section 4.3.1, relating to groundwater level monitoring requirements within the SWUCA;

(l) Section 4.4.1, inclusive of all subsections; relating to irrigation crop reports within the SWUCA;

(m) Section 4.4.2, relating to irrigation pumpage compliance within the SWUCA; and

(n) Section 4.4.13, regarding reporting requirements for landscape/recreation irrigation water use within the SWUCA.

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(5) Application forms promulgated by the SWFWMD to implement this strategy are hereby incorporated by reference as below. These forms shall be in addition to the application and forms otherwise provided as part of a consumptive use permit application.

(a) Within the SWUCA, an Applicant shall submit the forms required by Rule 40D-2.101(5), F.A.C., effective date May 19, 2014, adopted and incorporated by reference herein, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>).

(b) Within the Dover/Plant City WUCA, an Applicant shall submit the forms required by Rule 40D-2.101(6), F.A.C., effective date May 19, 2014, adopted and incorporated by reference herein, (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>).

Rulemaking Authority 373.043, 373.0465, 373.171 FS. Law Implemented 373.019, 373.036, 373.042, 373.0421, 373.0465, 373.223, 373.229, FS. History—New _____.

NAME OF PERSON ORIGINATING PROPOSED RULE:

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE:

DATE PROPOSED RULE APPROVED BY AGENCY HEAD:

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: December 30, 2016, in Vol 42, No. 252 (in compliance with 2016-1 Laws of Florida), and on March 21, 2019, in Vol. 45, No. 56 of the Florida Administrative Register.

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1 **CFWI – 1.0 General Provisions**

2
3 **CFWI - 1.1 Definitions**

4
5 The following definitions are applicable to the terms in this Central Florida Water Initiative
6 (CFWI) Supplemental Applicant’s Handbook for Consumptive Use Permitting. Where the
7 identical term is used in Section 1.1 of the St. John’s River Water Management District
8 Applicant’s Handbook for the Consumptive Uses of Water, South West Florida Water
9 Management District Water Use Permit Applicant’s Handbook, Part B, and the Applicant’s
10 Handbook for Water Use Permit Applications within the South Florida Water Management
11 District, (collectively referred to as the “Districts’ applicant’s handbooks”), the terms below shall
12 supersede and replace the corresponding term in its entirety. All other terms referenced in the
13 Districts’ applicant’s handbooks shall remain in full force and effect.

14
15 (a) **“Central Florida Water Initiative Area”** or **“CFWI Area”** is as defined in section
16 373.0465(2)(a), F.S.

17
18 (b) **“Central Florida Water Initiative (CFWI) Supplemental Applicant’s Handbook for**
19 **Consumptive Use Permitting,”** also referred to as the **“Supplemental Applicant’s Handbook”**
20 means an applicant’s handbook that supplements, and in places supersedes and replaces, the
21 Districts’ applicant’s handbooks for use within the CFWI Area and which is incorporated by
22 reference in subsection 62-41.302(1), F.A.C.

23
24 (c) Within the CFWI Area, **“harmful to the water resources,”** as used in section 373.219(1),
25 F.S., means a determination of harm to the water resources following an evaluation of the
26 conditions for issuance of permits set forth in subparagraphs 62-41.301(2)(g), F.A.C., as those
27 conditions are evaluated in the Supplemental Applicant’s Handbook.

28
29 (d) **“Endangered or threatened species”** or **“listed species”** means those animal species that are
30 identified as endangered or threatened by the US Fish and Wildlife Service, the National Marine
31 Fisheries Service, or the Florida Fish and Wildlife Conservation Commission, as well as those
32 plant species identified as endangered or threatened by the US Fish and Wildlife Service or
33 National Marine Fisheries Service, when such plants are located in a wetland or other surface
34 water.

35
36 (e) **“Area of Influence”** means:

- 37 1. For withdrawals from groundwater systems the area of influence is defined by the cone
38 of depression.
39 2. For withdrawals from surface water systems the area of influence is defined as the
40 extent to which the withdrawal results in an impact to surface water levels or flows
41 using the best available tools.

42
43 (f) **“Cone of Depression”** means the conical shape taken by the potentiometric surface or water
44 table showing the variation of drawdown, with distance, due to pumping from a well or wellfield.
45

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46 (g) “**Demonstrated 2025 Demand**” means the quantity of water, needed to meet demands in
 47 2025. Demonstrated 2025 Demand will be calculated utilizing the methodologies described in
 48 Section 2.0 of the Supplemental Applicant’s Handbook.

49
 50 (h) “**Existing Uses**” means those permitted consumptive uses in effect as of (effective date).

51
 52 (i) “**New Uses**” means those uses permitted after (effective date).

53 **CFWI – 1.2 Modification of Existing Permits**

54
 55
 56 As of the effective date of this rule, all existing consumptive use or water use permits within the
 57 CFWI Area are modified to incorporate the applicable measures and conditions described in
 58 sections 1.1 (Definitions) and 2.0 (Demonstration of Water Demand, Allocations, and Source
 59 Modifications), including all subparts. Specifically,

- 60
 61 A. A. All allocations are hereby modified in accordance with the designated use class of
 62 the permitted use and the corresponding method of allocation described in section 2.0.
 63
 64 B. The permit conditions specified in Section 5.0 are incorporated into all existing
 65 consumptive use permits in the CFWI Area and shall be placed on all permits for new
 66 uses within the area.
 67

68 Each District shall modify the existing permits using the procedures set forth in the applicable
 69 District rules.
 70

71 **CFWI - 1.3 Environmental Resource and Consumptive Use Permitting Concurrency**

72
 73 Within the CFWI Area, this section, CFWI - 1.3, shall be in addition to the SJRWMD
 74 Applicant’s Handbook for the Consumptive Uses of Water and shall supersede in its entirety
 75 section 1.3.5 of the SWFWMD Water Use Permit Applicant’s Handbook, Part B, subsection
 76 40D-2.301(3), F.A.C., and section 1.4.6 of the Applicant’s Handbook for Water Use Permit
 77 Applications within the South Florida Water Management District.
 78

79 If an individual Consumptive Use Permit (CUP) application includes either of the following two
 80 requests for a consumptive use of water, then the CUP application shall not be considered
 81 complete until the applicant has submitted a complete application for an environmental resource
 82 permit (ERP), pursuant to Chapter 62-330, F.A.C.:
 83

- 84 A. Requests to irrigate golf course areas, cemeteries, nursery plants, agriculture crops, or
 85 landscaped areas, which are a part of an artificially-created surface water
 86 management system that requires an individual or general ERP; or
 87
 88 B. Requests to dewater for a project that requires an individual or general ERP under
 89 Chapter 373, F.S.
 90

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91 In all other cases, the District can take final agency action on the CUP application without regard
 92 for the status of the ERP application.

93
 94 The requirement to submit a complete application for an ERP shall not apply to:

- 95
 96 A. Requests for a consumptive use of water associated with phosphate mining with an
 97 approved reclamation plan pursuant Chapter 378, F.S.;
- 98
 99 B. Requests for a consumptive use of water associated with an ERP project that qualifies
 100 for a general permit under Section 403.814(12), F.S.; or
- 101
 102 C. A CUP application that does not meet the conditions for issuance in Rule 62-41.301,
 103 F.A.C.

104 105 **CFWI - 2.0 Demonstration of Water Demand, Allocations, and Source Identification**

106
 107 Within the CFWI Area, sections, CFWI - 2.0 – 2.6, inclusive of all subsections, supersedes, 2.2.
 108 (excepting 2.2.2.5. through 2.2.2.5.1 B, 2.2.3.2 through 2.2.3.2.2, 2.2.5.5 through 2.2.5.5.5,
 109 2.2.6.1 through 2.2.6.1.2, 2.2.8 through 2.2.8.2, 2.2.9, and 2.3(e) of the SJRWMD Applicant’s
 110 Handbook; sections 2.0, 2.1.1. (excepting 2.1.1.4), 2.3 (excepting 2.3.7), 2.4.1, 2.4.3 (excepting
 111 2.4.3.1.1 and 2.4.3.1.7), 2.4.4 (excepting 2.4.4.1.), 2.4.5 (excepting 2.4.5.1), 2.4.6 (excepting
 112 2.4.6.1), and 2.4.7 (excepting 2.4.7.1), of the SWFWMD Applicant’s Handbook; and sections
 113 2.0, 2.2.3, 2.2.4.A, 2.2.4.B, 2.3 (including Section 2.3.2.B only as to dewatering associated with
 114 mining projects, and excepting D.1., E.1., F.1., G.) of the SFWMD Applicant’s Handbook.

115
 116 To receive a permit, an applicant must demonstrate that the proposed water use is a reasonable-
 117 beneficial use of water, as required by Section 373.223, F.S., as further explicated in the
 118 conditions for issuance in Rule 62-41.301, F.A.C. The proposed withdrawal of water must be
 119 supported by information that provides reasonable assurance that the withdrawal quantities are
 120 necessary to supply a certain reasonable demand. Only the portion of demand for which an
 121 applicant can provide such reasonable assurance will be permitted. Additional or alternative
 122 provisions are required for uses within the Southern and Dover/Plant City Water Use Caution
 123 Areas in accordance with Rule 62-41.305, F.A.C.

124
 125 An applicant’s allocation reflects a consideration of factors including demands and, as
 126 applicable, treatment losses, reclaimed water and other sources of water, conservation, and water
 127 purchased, sold, or transferred, and documented historical information. When necessary to
 128 prevent water resource impacts or implementing projects that add new sources of water,
 129 allocations can be expressed in increments over the permit term.

130
 131 In no case, however, will the allocation be greater than the total rated capacity of all existing and
 132 proposed withdrawal facilities.

133
 134 Each permit issued by the District shall identify the source of withdrawal, the use type, and the
 135 location of the withdrawal.

136

137 **CFWI - 2.1 Allocation Expression**

138
 139 Applicants shall request quantities in gallons per day (gpd) or million gallons per day (mgd) for
 140 each component of demand according to the demand components listed for each use type.

141
 142 **CFWI - 2.1.1 Annual Quantity**

143
 144 The annual quantity is determined by calculating the total quantity of water to be withdrawn over
 145 a 12-month period. A daily average is calculated by dividing the annual quantity by 365. The
 146 annual average quantity must equal the quantities required by each demand component for the
 147 particular use.

148
 149 **CFWI - 2.1.2 Peak Month**

150
 151 The peak month allocation represents the greatest quantity permitted to be used in any single
 152 month. The peak month allocation is determined by dividing the month of highest water use by
 153 the number of days in that month for the associated use type.

154
 155 **CFWI - 2.2 Public Water Supply Use Type**

156
 157 **CFWI - 2.2.1 Public Water Supply Demand Calculation and Components**

158
 159 Generally, public supply demand will be calculated using the average gross per capita rate for the
 160 most recent five years as applied to the applicants' service areas' residential population served. See
 161 section 2.2.3.2.

162
 163 Alternative methodologies may be used if there is reasonable assurance that the methodology is
 164 appropriate for the service area and that the withdrawal quantities requested are necessary to
 165 supply the proposed demand. Examples of alternative methodologies are utility-level growth rates
 166 for applicants with a large number of dwelling units occupied by non-residents or reasonable design
 167 per capita for new developments.

168
 169 Within the Southern Water Use Caution Area, section 2.3.7 and 2.4.8.4 of the SWFWMD
 170 Applicant's Handbook shall apply in addition to the requirements in this section. Application of
 171 the requirements in this Section shall not result in a greater allocation than what would be
 172 provided under section 2.3.7 and 2.4.8.4 of the SWFWMD Applicant's Handbook.

173
 174 Demand quantities shall be based on raw water demand. Applicants shall request total water
 175 quantities in gallons per day (gpd) or million gallons per day (mgd) for each demand component,
 176 as defined below, in order to justify the quantities requested in the application.

- 177
 178 A. Residential use shall be divided into single-family residential use (including mobile
 179 homes) and multi-family residential use.
 180 B. Non-Residential or Other Metered use shall include all uses other than residential
 181 accounted for by meter.

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- 182 C. Estimated Unmetered use shall include estimates of unmetered uses that are tracked
 183 by the applicant.
- 184 D. Treatment losses shall include significant treatment process losses associated with
 185 making the water potable, such as reject water in desalination, membrane cleaning or
 186 back-flush quantities associated with sand filtration systems. Treatment losses are
 187 calculated as raw water into the plant minus treated water out of the plant.
- 188 E. Water losses are equal to the total water plant input minus all accounted uses
 189 described in A. through D. above. Water losses shall not exceed 10% of total
 190 distribution quantities.
- 191 F. Exports / Imports shall include the quantity of water delivered to other entities
 192 through agreements or contracts and the duration of the water service delivery. For
 193 those utilities which purchase supplemental water from another utility, the volume of
 194 water historically purchased (or contracted to be purchased for proposed uses) for an
 195 average and maximum daily basis and the duration of the agreement / contract shall
 196 be provided.

197
 198 **CFWI - 2.2.2 Public Water Supply Population Projections for the Residential Demand**
 199 **Component**

200
 201 The applicant must provide population projections for those who will be served by the public
 202 supply system.

203
 204 To determine future population to be served, population data should be derived from the most
 205 recent county-level/parcel level forecast of population based on published University of Florida,
 206 Bureau of Economic and Business Research (BEBR) - Medium projections for target year(s).
 207 Other accepted sources of population data that may be used to supplement BEBR medium
 208 projections to evaluate the population projections include:

- 209 • The current Comprehensive Land Use Plan developed under Part II, Chapter 163, F.S.;
- 210 • Historic growth rate at utility-level based on an average of five years of historic
 211 population times the base year served dwelling unit population (estimate of total
 212 residential dwelling units multiplied by the estimate of persons per household). The base
 213 year would be defined as the last full year. Average of five years historic population
 214 would include the base year and four years prior;
- 215 • The current CFWI Regional Water Supply Plan; and
- 216 • Regional Planning Council Data and Special population studies.

217
 218 If an applicant proposes an adjustment to the BEBR-medium projection or utility level growth
 219 rate, the applicant must provide reasonable assurance through specific data and analysis that the
 220 adjustment better predicts population growth rate due to significant changes in factors affecting
 221 the applicant's service area's population growth rates (either up or down) in the most recent five
 222 years that would render a five-year average not representative for projecting over the requested
 223 permit duration. The specific data and analysis should include an alternate five-year average
 224 calculation.

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226 Public supply entities that provide water supply for predominantly commercial uses that do not
 227 support a permanent population are excluded from these calculations and demand projections
 228 shall be evaluated using best available information.

229
 230 For all methods, seasonal service area population may be used, if applicable, and, if used, shall
 231 be estimated using methods recommended by either the Department of Economic Opportunity or
 232 proposed by the utility and approved by the District. Applicants may also identify tourist
 233 population, if known. In addition, the population to be served can be a mixture of permanent and
 234 non-permanent population as long as it is consistently used.

235

236 **CFWI - 2.2.3 Per Capita Daily Water Use**

237

238 The per capita use rate that is the most representative of anticipated demands, considering the water
 239 conservation plans required by the Districts, shall be identified and used for water demand projection
 240 purposes.

241

242 **CFWI - 2.2.3.1 Uniform Method for Calculating Gross Per Capita Daily Water Use**

243

244 Gross Per Capita is defined as: $(WD + IM - EX) / RP$ Where:

245

- 246 • WD = ground water, surface water and stormwater withdrawals.
- 247 • IM = water imported/purchased from other supplier(s). Irrigation water, excluding
 248 Reclaimed Water, provided to the applicant's service area by a separate utility shall be
 249 counted as imported water
- 250 • EX = water exported/sold to other supplier(s)
- 251 • RP = Residential Population (for a Utility Service Area) is based upon total residential
 252 dwelling units served, which include Single Family Residential, Multi-Family Residential
 253 (apartments, townhomes, condos, duplexes) and Mobile Homes, multiplied by a utility-
 254 specific estimate of persons per household. The applicant shall provide reasonable
 255 assurance that the utility specific persons per household figure used demonstrates a
 256 reasonable method for determining persons per household within its service area. Examples
 257 of typically reliable data include census-based averages, BEBR persons per household
 258 estimates, and utility documented surveys.

259

260 **CFWI - 2.2.3.2 Uniform Method for Calculating Residential Per Capita Daily Water Use**

261

262 Residential Per Capita is defined as Total Residential Water Use (or Water Use by Dwelling Units)
 263 divided by Service Area Residential Population (RP).

264

265

266 **CFWI - 2.2.4 Defining the Public Water Supply Service Area**

267

268 **A. Public Service Commission Service Territory**

269

270 If the applicant is regulated by the Public Service Commission (PSC), the service area
 271 should be that area for which the utility has obtained a certificate from the PSC that the

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272 applicant intends to serve during the requested permit duration. If the projected future
273 service area is larger than the area certificated at the time of application, the applicant
274 will solicit the opinion of the PSC as to the ability of the applicant to serve the area and
275 provide the PSC's response to the District. If the PSC determines that the applicant is
276 capable of serving the area, the projected service area will be used in the demand
277 calculation. If used, a special condition to the permit shall require the permittee receive a
278 certificate from the PSC for the expansion within two years of permit issuance. If a
279 permittee will not serve a new demand located within either the existing or proposed
280 service area, the permitted allocation is subject to modification.

281 B. Local Government Franchise

282 If the applicant is regulated by a local government, the service territory should be that
283 area for which the applicant has obtained a franchise that the applicant intends to serve
284 during the requested permit duration.

285 If the projected future service area is larger than the area franchised at the time of
286 application, the applicant will solicit the opinion of the local government as to the ability
287 of the applicant to serve the area and provide the local government's response to the
288 District.

289 If the local government determines that the applicant is capable of serving the area the
290 projected service area will be used in the demand calculation. If used, a special condition
291 to the permit shall require the permittee receive a franchise from the local government for
292 expansion within two years.

293 C. Unregulated Service Territory

294 If the applicant is not regulated by either local government or the PSC, the projected
295 service area must: (1) conform to the area that the utility can reasonably serve within the
296 permit duration; and (2) not already be within another entity's established service area. If
297 the applicant is claiming service areas outside of its legal boundaries or within the legal
298 boundaries of another utility, an explanation, with supporting documentation, must be
299 provided in the application.

300 D. Conflicting Service Territories

301 If, during review of a permit application, conflicting service area claims arise between
302 applicants or between an applicant and public supplier permittee, the users must resolve
303 the dispute between themselves, or seek resolution before the PSC, the local government,
304 or through a body with substantive jurisdiction to resolve the conflict, whichever is
305 applicable to the applicant. An applicant may amend its application to either remove the
306 services areas in dispute or to include an allocation based only on the non-disputed
307 portions of the projected service areas; otherwise, the District will allocate based on the
308 non-disputed portions of the projected service area.

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318 **CFWI - 2.3 Industrial/Commercial/Institutional/Electric Power Generation (ICI) Use Type**

319

320 **CFWI - 2.3.1 ICI Demand Components**

321

322 Reasonable demand is based on the amount of water needed to perform an ICI process in an
 323 efficient, non-wasteful and economic manner. To demonstrate the quantities applied for are
 324 reasonable, applicants must identify the quantities needed for each demand component listed
 325 below. Applicants shall request quantities in gallons per day (gpd) or million gallons per day
 326 (mgd) for each demand component.

327

328 Applicants for ICI use must identify the demand for the following demand components:

329

A. Processing and manufacturing, which includes water lost in processing and
 330 manufacturing where water is an input in the process.

331

B. Office and personnel use, which includes personal and sanitary use.

332

C. Landscaping and irrigation

333

D. Other needs. All “other needs” shall be specified in the application along with
 334 supporting documentation to meet the conditions for issuance pursuant to 62-41.301,
 335 F.A.C.

336

337 **CFWI - 2.3.2 ICI Demand Calculation by Demand Component**

338

339 The applicant shall calculate demands under this section by preparing a water balance for the
 340 types of activities associated with the application. The water balance may be in the form of a
 341 spreadsheet or flow diagram, indicating all sources and losses. An example water balance
 342 diagram is provided in Design Aid 1.

343

344 **CFWI - 2.3.2.1 Processing, Manufacturing, and Power Generation**

345

346 The water balance shall include the below information.

347

348 A. The Applicant shall provide a written account of where water is used in
 349 manufacturing or processing; where and in what quantities water is lost in
 350 manufacturing or processing; and where and in what quantities water is disposed in
 351 the manufacturing or processing.

352

1. All water sources that input to activity must be listed – e.g., groundwater
 353 from wells, groundwater from dewatering, surface water withdrawals,
 354 collected rainfall, recycled or reused water.

355

2. The amount of water used from all sources should equal the sum of the
 356 water used, lost and disposed.

357

358 B. The Applicant shall list all uses and losses including, as applicable:

359

1. Water used to wash product.

360

2. Evaporation from settling/recirculation ponds.

361

3. Water retained and shipped with product.

362

4. Water used to separate or beneficiate the product.

363

5. Water used to transport the product (slurry).

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- 364 6. Animal needs.
 365 7. Draining or filling augmentation of ponds, pools, flumes and aquatic
 366 habitats necessary for processing and manufacturing.
 367

368 C. The Applicant shall identify the final disposal of all water including, as applicable:

- 369 1. Off-site discharges.
 370 2. Disposal/recharge through percolation ponds.
 371 3. Disposal by spray irrigation.
 372 4. Water entrained in materials.
 373 5. Recycling of wastewater.
 374

375 **CFWI - 2.3.2.2 Personal use**

376
 377 Personal water use includes water needed for personal use such as restroom facilities and for
 378 drinking, bathing, cooking, sanitation, and cleaning. Based on the information provided,
 379 demands for personal use shall then be calculated using gallons per employee/contractor or
 380 visitor needed based on best available information from typically reliable data sources such as
 381 US Department of Energy, AWWA Research Foundation, Pacific Institute, Conserve Florida on-
 382 line library, or US Environmental Protection Agency.
 383

- 384 A. In determining the number of employees/contractors, if applicable, the applicant shall
 385 use the average number of employees/contractors per shift, number of shifts per
 386 workday, and number of workdays per year.
 387
 388 B. If an applicant is requesting an allocation for this demand component for visitors, the
 389 applicant shall use the annual average number of visitors for the most recent five
 390 years. Alternative methodologies can be used if an applicant presents reasonable
 391 assurance that the methodology is appropriate for the use and that the withdrawal
 392 quantities requested are necessary to supply the proposed need or demand.
 393

394 **CFWI - 2.3.2.3 Landscape Irrigation**

395
 396 Demands for landscaping and irrigation will be calculated by providing information utilizing the
 397 application of supplemental irrigation demands set forth in section 2.5.1.1.A.
 398

399 **CFWI - 2.3.2.4 Other needs**

400
 401 An applicant shall provide reasonable assurance that all “other needs” requested, such as outside
 402 use, air conditioning, and unaccounted uses, meet the conditions for issuance pursuant to Rule
 403 62-41.301, F.A.C.
 404

405 **CFWI - 2.4 Mining and Mining Dewatering Use Type**

407 **CFWI - 2.4.1 Mining and Mining Dewatering Demand Components**

408

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409 The reasonable-beneficial need for a requested allocation must be based on the amount of water
 410 needed to extract subsurface materials or control surface water or groundwater when performing
 411 activities such as excavation or construction as well as moving, handling and processing the
 412 extracted material. Applicants must demonstrate that the quantities applied for relate to
 413 reasonable mining, processing, and mining dewatering needs.

414
 415 To demonstrate the quantities applied for are reasonable, an applicant must identify the quantities
 416 needed for each demand component. Typically, requested quantities are based on historical
 417 information or comparable uses or projected future use, where available. Applicants shall request
 418 quantities in gallons per day (gpd) or million gallons per day (mgd) for each demand component.

419
 420 Applicants for mining and mining dewatering use must identify the demand for the following
 421 demand components:

- 422
 423 A. Mining, mining dewatering, and processing
 424 B. Office and personnel use, including water for personal needs such as drinking,
 425 bathing, cooking, sanitation, or cleaning.
 426 C. Landscaping and irrigation,
 427 D. Other needs, includes the total requested withdrawal quantity minus the quantity for
 428 the demand components identified above. All “other needs” shall be specified in the
 429 application along with supporting documentation to meet the conditions for issuance
 430 pursuant to 62-41.301, F.A.C.
 431

432 **CFWI - 2.4.2 Mining and Mining Dewatering Demand Calculation**

433
 434 The applicant must prepare a water balance to calculate the proposed demands. The water
 435 balance shall include all four demand components, if applicable, listed in 2.4.1, above. The water
 436 balance may be in the form of a spreadsheet or flow diagram indicating all sources and losses.
 437 The water balance must identify the demand for each of the following components as applicable:

- 438 A. Mining, mining dewatering, and processing
 439 1. Provide a written account of where water is generated and used in the mining
 440 and mining dewatering processes; where and in what quantities water is lost in
 441 the mining and mining dewatering processes; where and in what quantities
 442 water is disposed of or reused in the mining and mining dewatering processes;
 443 and where and in what quantities water is used for processing extracted
 444 materials.
 445 i. All water sources that input to activity must be listed – e.g.,
 446 groundwater from wells, groundwater from water table dewatering or
 447 drainage for mining, surface water withdrawals, collected rainfall,
 448 recycled or reused water.
 449 ii. The amount of water used from all sources should equal the sum of the
 450 water used, lost and disposed.
 451 iii. If processing of materials is associated with the mining or mining
 452 dewatering, a water balance diagram combining these activities is
 453 preferred over separate water balances for each activity.
 454 2. Uses and losses must be listed including as applicable:

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- 455 i. Water used to wash the product.
 456 ii. Evaporation from settling/recirculation ponds.
 457 iii. Water retained and shipped with the product (product moisture).
 458 iv. Water used to separate or beneficiate the product.
 459 v. Water used to transport the product (slurry).
- 460 3. The final disposal of all water then must be identified. Disposals include:
 461 i. Off-site discharges.
 462 ii. Disposal/recharge through percolation ponds.
 463 iii. Disposal by spray irrigation.
 464 iv. Water entrained in materials.
 465 v. Recycling of wastewater.

466 The amount of water withdrawn should equal the sum of the system uses, losses and
 467 disposals.
 468

- 469 B. Personal water use is water needed for personal use such as restroom facilities and for
 470 drinking, bathing, cooking, sanitation, and cleaning office areas. Demands for
 471 personal use shall be calculated using section 2.3.2.2 above.
 472
- 473 C. Landscaping and irrigation. Demands for landscaping and irrigation will be calculated
 474 as set forth in 2.5.1.1.A.
 475
- 476 D. Other needs. An applicant shall provide assurance that all “other needs” requested,
 477 such as outside use, air conditioning, and unaccounted uses, meet the conditions for
 478 issuance pursuant to 62-41.301, F.A.C.
 479

480 **CFWI - 2.5 Agricultural Use Type**

481
 482 Applicants must demonstrate that the quantities applied for relate to one or more of the following
 483 use categories: irrigation, livestock, aquaculture, and other agricultural water needs.
 484

485 **CFWI - 2.5.1 Agricultural Irrigation**

486
 487 For agricultural irrigation, the applicant must demonstrate that an irrigation system exists or is
 488 proposed and capable of delivering the requested amount. For proposed systems, a schedule for
 489 implementation of the irrigation system is required.
 490

491 Within Southern Water Use Caution Area (SWUCA), sections 2.1, 2.4.3.1.1 and 2.4.3.1.7 of the
 492 SWFWMD Applicant’s Handbook shall apply in addition to the requirements in this Section.
 493 Within the Dover/Plant City Water Use Caution Area (DPCWUCA), sections 2.1 and 3.9.4 of
 494 the SWFWMD Applicant’s Handbook shall apply in addition to the requirements in this Section.
 495 Application of the requirements in this Section shall not result in a greater allocation than what
 496 would be provided under sections 2.1, 2.4.3.1.1 and 2.4.3.1.7 of the SWFWMD Applicant’s
 497 Handbook within SWUCA or sections 2.1, 3.9.4 of the SWFWMD Applicant’s Handbook within
 498 DPCWUCA.
 499

- 500 A. The four major categories of agricultural irrigation-related water use are:

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1. Supplemental Irrigation: The supplemental irrigation requirement for agricultural uses is calculated as specified in Subsection 2.5.1.1. For improved pasture irrigation, see Section 2.5.1.2.

 2. Field Preparation, Crop Establishment, And Heat Stress: If an allocation is requested for the purposes of field preparation, crop establishment, and heat stress, quantities shall be calculated for water demands above the supplemental irrigation crop requirements. These quantities will be based on a demonstrated demand, such as plant cooling and soil saturation for bed preparation.
Quantities for heat stress protection shall be calculated based on the number of acres to be protected, the crop grown, the irrigation system used, and the hours of crop protection required. If the number of hours is not known, the peak quantity will be based on the best available data for crop protection recurrence and duration. The applicant may propose to use alternative factors if the factors described above are not applicable due to issues associated with the particular crop. In such a case, the applicant must provide reasonable assurance supporting the use of alternative factors. Typically reliable sources of information include information provided by the manufacturer of the system, or University of Florida Institute of Food and Agricultural Sciences (UF IFAS), Natural Resources Conservation Service (NRCS-USDA) and Florida Department of Agriculture and Consumer Services (FDACS) publications.

 3. Other Water Uses: If an allocation is requested for chemigation and leaching of salts from the root zone, the total allocated inches per irrigated acre per season for these uses shall be no more than 10% (for low volume irrigation systems) and 5% (for overhead irrigation systems) of the requested supplemental irrigation requirement. Allocations requested must be specific to the crops grown.

 4. Freeze Protection: Where freeze protection quantities are necessary, the quantities shall be calculated based on the system design capacity (pump capacity, number of acres, the planting density, the number of emitters, and the capacity of the emitters in gallons per minute) or other appropriate value, the crop to be protected, and the type of freeze protection utilized. The freeze protection allocation will be made based on a 12-hour maximum daily requirement per freeze event. In no case will the freeze protection allocation be greater than the total rated capacity of all existing and proposed withdrawal facilities. The applicant must provide reasonable assurance supporting freeze protection values (mgd/acre) for its crop type(s). Typically reliable sources of information include UF IFAS, NRCS-USDA and FDACS publications.

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545 B. Uses and Irrigation Allocation Rate

546
 547 Applicants intending to grow annual crops over the permit term shall submit an
 548 application representing the most water-intensive crop scenario intended, considering
 549 both annual average and peak month quantities needed. A permittee may then change
 550 crop types during the permit term without modification, provided that (a) the crop
 551 actually irrigated uses no more water than the most water-intensive crop permitted,
 552 and (b) the quantity that the District permits for the acreage and crop actually
 553 irrigated is not exceeded.

554
 555 Acreage submitted to the District shall be based on area measurements rather than
 556 other measurements such as rolls of plastic.

557
 558 Other non-irrigation system related water uses shall be permitted in accordance with the
 559 appropriate use type set forth in this Supplemental Applicant's Handbook.

560
 561 **CFWI - 2.5.1.1 Irrigation Demand Calculation**

562
 563 The reasonable demand for supplemental irrigation will be calculated as described in this section.
 564 Factors in determining the supplemental irrigation requirement include crop type, planted
 565 acreage, irrigation method, soil type, planting dates, precipitation, evapotranspiration, and
 566 duration of growing season.

567
 568 A. Supplemental Irrigation

569
 570 The supplemental irrigation requirement is the amount of water needed for a particular
 571 crop beyond the amount of water provided by effective rainfall.

572
 573 In determining reasonable need, the District will determine the supplemental irrigation
 574 requirements for both drought and average annual conditions. Drought allocation will be
 575 considered the amount of supplemental irrigation required during a two in ten year
 576 rainfall condition. Average annual allocation will be considered the amount of
 577 supplemental irrigation required during a five in ten year rainfall condition. This quantity
 578 does not include crop protection.

579
 580 The method used to develop supplemental irrigation requirements must provide
 581 reasonable assurance supporting the requested quantity for the supplemental irrigation
 582 requirement for its crop type(s). The applicant must demonstrate that the proposed
 583 method accurately determines supplemental irrigation water use needs based on site-
 584 specific conditions, exemplified by the type of crop grown, the irrigation method
 585 employed, the season in which the water is used to grow the crop, general crop location
 586 including soil type, historical pumping data of permittee, historical pumping data of a
 587 particular crop type, and associated atmospheric conditions. Typically reliable sources of
 588 information include UF IFAS, NRCS-USDA, FDACS and Water Management District
 589 publications. Individual Water Management District Supplemental Applicant's Handbook

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Design Aids and associated supplemental irrigation requirement tools may also be used to determine supplemental irrigation requirements for all crop types.

B. System Efficiency

Applicants shall use efficient practices for the irrigation system selected. Accepted system efficiency is provided in Table 2-1. The applicant may use an alternative method to determine system efficiency if the system efficiencies in Table 2-1 are not applicable due to factors associated with the particular irrigation system. Only factors that are permanent and maintainable for the entire permit duration may be considered. In such a case, the applicant must provide reasonable assurance supporting an alternative system efficiency. Typical reliable sources of information include information provided by the manufacturer of the system or UF IFAS, NRCS-USDA and FDACS publications.

Table 2-1. Irrigation Application Efficiencies Used to Determine the Supplemental Irrigation Requirement

System	Method	Efficiency (%)	Multiplier (=100/Efficiency)
Micro, Drip	Micro-irrigation Drip, Overhead Drip, Low Volume, Drip -With Plastic, Drip-Without Plastic, Drip Irrigation (Surface and Subsurface), Drip Tape	85%	1.18
Micro, Spray	Spray Jet Spinners, Low Volume Spray, Micro Sprinkler, Sprinkler (Under Tree)	80%	1.25
Center Pivot with drip hoses	Center Pivot with drip hoses	80%	1.25
Center Pivot/Linear Move with Sprinkler Irrigation	Center Pivot/Linear Move with Sprinkler Irrigation	75%	1.33
Sprinkler*	Overhead Sprinkler, Overhead (multiple sprinkler), Sprinkler (Over Plant), Impact Sprinkler, High Center Rotary Action Sprinkler (Example - Wobblers Brand)	75%	1.33
Volume Gun or Traveling Gun System	Traveling Gun, Walking Gun, Large Gun Sprinkler, Volume Gun, Portable Gun, End Gun	70%	1.43
Seepage Fully Enclosed	Seepage Fully Enclosed	75%	1.33
Perforated Drain Systems	Perforated Pipe (Example - Irridrain Brand), Perforated Drain Tiles	75%	1.33
Seepage	Semi-Closed Ditch, Semi-Closed Furrow, Seepage/Furrow, Sub-	50%	2.00

	irrigation, Semi-closed Flow-Through, Flood/Seepage, Seepage – Existing Citrus, Hay, Pasture, Seepage – With Plastic, Seepage – Without Plastic, Crown Flood Seepage		
--	--	--	--

*System efficiency requirements for container nursery with overhead sprinklers are identified in 2.5.1.1.C.1

C. Container Nursery and Citrus Irrigation System Efficiency

The accepted standard irrigation system efficiency will be required of all initial applicants whose irrigation systems are not constructed. Upon permit renewal or when acreage is added to a permit during modification, the standard irrigation system for citrus will be required for new acreage. New acreage includes: (1) acres not previously proposed for irrigation and (2) acres previously proposed for irrigation and still proposed for irrigation, but for which the permittee did not construct irrigation system under its current permit.

1. Container Nursery: The accepted irrigation methodology for nursery container projects is a micro-irrigation system, overspray irrigation tailwater recovery system, or other specific design elements capable achieving the equivalent efficiency of micro-spray irrigation system.
2. Citrus: The accepted irrigation system efficiency for citrus projects is 80% or higher. The allocation shall reflect this system efficiency even if the system itself has a lower efficiency.

CFWI - 2.5.1.2 Improved Pasture Irrigation

For improved pasture irrigation, the applicant shall demonstrate that an irrigation system exists or is proposed and is capable of delivering the requested amount. For proposed systems, a schedule for implementation of the irrigation system is required. The applicant shall provide reasonable assurance of the amount of improved pasture acreage reasonably expected to be irrigated in any given growing season as the basis for the net irrigated acreage. In determining the reasonable irrigation allocation for improved pasture, the following requirements shall apply:

- A. Overhead sprinkler irrigation: The allocation will be based on the number of acres of pasture grass that will be irrigated, and the irrigation equipment efficiency associated with overhead sprinklers (Table 2-1).
- B. Subirrigation: The allocation will be based on the amount of water needed to maintain water levels of the irrigation canals that comprise the water delivery system. The applicant shall calculate the demands based on the number of acres of pasture grass that will be irrigated and supplemental irrigation demands as described in section 2.5.1.1 The irrigated acreage shall be determined from the extent to which the water is distributed to the root zone of the pasture grass.

648 Irrigation systems constructed with lateral ditch spacing of 400 feet or less are considered to
 649 provide irrigation to all the acreage incorporated within the system. For irrigation systems where
 650 lateral ditch spacing is greater than 400 feet, the applicant must provide site specific information
 651 that supports adequate water table management required for the irrigation allocation requested. For
 652 an existing system, site specific information is not required and are considered to have adequate
 653 water table management required for the irrigation allocation requested unless documentation
 654 demonstrates otherwise. For irrigation systems that consist of main ditches without laterals, or
 655 laterals with a spacing greater than is sufficient to provide irrigation to all the pasture grass, the
 656 irrigated acreage will be calculated by multiplying the length of the ditches by the effective
 657 irrigation area as determined by soil and pasture grass type. If the above lateral ditch spacing is
 658 not applicable due to soil and pasture grass type, the applicant must provide reasonable assurance
 659 supporting lateral ditch spacing greater than 400 feet. Applications to irrigate unimproved pasture
 660 will not be approved.

661

662 **CFWI - 2.5.2 Livestock**

663

664 The reasonable demand for livestock use will be derived by multiplying the estimated total
 665 number of animals by gallons needed per day per animal. The livestock water use will be
 666 determined using the gallons needed per day per animal identified in Table 2-2.

667

668

Table 2-2. Livestock Water Demands

Animal	Use per animal (gpd)
Beef Cattle	12
Chickens	0.10
Dairy Cattle (Milking)	150
Dairy Cattle (Dry)	20
Goats	2
Hogs	2
Horses	12
Rabbits	.05
Sheep	2
Turkeys	1

669

670 If the above livestock water use values are not applicable due to the proposed livestock
 671 operations, or for livestock other than those listed above, the applicant must provide reasonable
 672 assurance supporting its values (gpd/animal) for its livestock. Typically reliable sources of
 673 information include UF IFAS, NRCS-USDA or FDACS publications.

674

675 **CFWI - 2.5.3 Aquaculture**

676

677 The reasonable demand for aquaculture is determined by the number and volume of ponds and
 678 tanks and their filling and recirculation requirements and other factors that may contribute to
 679 maintaining necessary water levels or water quality. In instances where there are discernable

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680 water sources and losses, applicants should rely on a water balance method for demonstrating
681 reasonable demand. All water sources that input to the activity must be listed in the water
682 balance. The amount of water used from all sources should equal the sum of the water used, lost,
683 and disposed.

684

685 **CFWI - 2.5.4 Other Agricultural Water Demands**

686

687 The reasonable demand for other agricultural uses, such as crop washing and processing for
688 distribution, cooling of animals or product, spray tanks, non-potable shop needs, or disease
689 control spray stations, is determined based on supporting information provided by the applicant.
690 The applicant must provide reasonable assurance supporting the requested allocation in order to
691 demonstrate that it is a reasonable-beneficial use. Typically reliable sources of information
692 include UF IFAS, NRCS-USDA or FDACS publications.

693

694 **CFWI - 2.6 Landscape/Recreation Use Type**

695

696 Landscape Irrigation includes the outside watering of shrubbery, trees, lawns, grass, ground
697 covers, vines, gardens and other such flora, not intended for resale, which are planted and are
698 situated in such diverse locations as residential and recreation areas, cemeteries, public,
699 commercial and industrial establishments, ballfields, and public medians and rights of way.

700

701 The reasonable need for a recreational or landscape irrigation use is based on the amount of
702 water needed to supply the supplemental irrigation requirements of the type of turf or landscape
703 grown. In determining reasonable need, the District will determine the supplemental irrigation
704 requirements for both drought and average annual conditions. Drought allocation will be
705 considered the amount of supplemental irrigation required during a two in ten year rainfall
706 condition. Average annual allocation will be considered the amount of supplemental irrigation
707 required during a five in ten year rainfall condition.

708

709 The supplemental irrigation requirement for landscape and recreation irrigation projects,
710 including golf courses, shall be calculated pursuant to 2.5.1.1.A and B.

711

712 Non-irrigation recreational demands shall be calculated pursuant to 2.3.

713

714 **CFWI - 2.7 Annual Conservation Goal Within the CFWI**

715

716 As part of an application for renewal of an existing consumptive use permit, a modification of an
717 existing consumptive use permit with an increased allocation, or an application for a new
718 consumptive use permit, the permit applicant shall provide an annual conservation goal that is
719 consistent with the Central Florida Water Initiative regional water supply plan. These annual
720 conservation goal requirements are separate and distinct from any other conservation requirements
721 of the permit and do not supersede any sections of the Districts applicants' handbooks.
722 Nonetheless, annual conservation goals should not be inconsistent with the conservation
723 requirements of the permit. An annual conservation goal is consistent with the CFWI regional
724 water supply plan if it includes activities or actions that prevent or reduce unnecessary uses and
725 improve and/or maintain already achieved efficiencies of use. For all use types except public

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726 supply permits with an annual average daily quantity of 100,000 gpd or greater, the annual
 727 conservation goal shall be met by developing and implementing an Annual Conservation Goal
 728 Implementation Plan as set forth in section 2.7.1. The annual conservation goal for public supply
 729 permittees is set forth in section 2.7.2.

730

731 **CFWI - 2.7.1 Annual Conservation Goal Implementation Plan**

732

733 Annual Conservation Goal Implementation Plan (ACGIP) must be developed and submitted as
 734 part of the application for a renewal of an existing consumptive use permit, a modification of an
 735 existing consumptive use permit with an increased allocation, or an application for a new
 736 consumptive use permit. The ACGIP must contain annual conservation goals for at least five years
 737 (current year plus four additional years) or through the end of the permit, whichever is shorter;
 738 identify the person(s) or positions(s) responsible for overseeing implementation of the goal(s); and
 739 contain an annual record of whether each listed annual goal was met. An ACGIP is iterative and
 740 may be modified by the permittee without the need to modify the permit; however, all versions of
 741 the ACGIP must be kept up to date, and must be signed and dated and maintained at the permittee's
 742 principal place of business through the term of the permit (inclusive of any extension).

743

744 The permittee shall report to the District its progress toward achieving the conservation goals
 745 within the ACGIP in any compliance report required pursuant to Section 373.236, F.S., or, if a
 746 compliance report is not required pursuant to Section 373.236, F.S., or as part of any application
 747 to renew or modify the permit.

748

749 For many conservation efforts, a single year's conservation implementation results in multi-year
 750 annual water savings with proper maintenance and operation that may extend beyond the permit
 751 term. Facility design, certain device or irrigation infrastructure replacement, and similar
 752 conservation activities typically do not occur on an annual basis. However, these designs and
 753 activities will produce benefits over multiple years and may produce benefits over multiple permit
 754 terms. In such a situation, the annual conservation goal shall not be interpreted to require the
 755 applicant/permittee to implement new practices in each year. Rather, the applicant/permittee may
 756 fulfill the requirements of this rule and the ACGIP by maintaining such practices.

757

758 In its sole discretion, an applicant may incorporate the ACGIP as part of the conservation plan
 759 within its permit. In such a case, any changes to the ACGIP would require modification of the
 760 permit.

761

762 The annual conservation goals in an ACGIP must include either of the following:

763

- 764 A. Conservation Best Management Practices (BMPs) and conservation programs. The
 765 applicant/permittee shall list any applicable practice(s), measure(s), program(s),
 766 device replacement(s), or other actions that improve or maintain expected water use
 767 efficiency that it intends to implement for each year included in the ACGIP. The
 768 applicant shall propose to maintain and operate installed water conserving designs or
 769 features as part of this approach.

770

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771 For each conservation BMP and conservation program listed, the applicant must
 772 include a brief statement of the applicant's implementation strategy. Examples of brief
 773 statements include, but need not be limited to, FDACS BMP program being
 774 implemented, geographic target areas, use sectors targeting (residential, commercial,
 775 irrigation customers, etc.), media strategies, and other similar factors in developing a
 776 conservation BMP. If devices are proposed as a BMP (such as rain sensors, toilet
 777 rebates, etc.), the number expected to be funded should be included as part of the
 778 strategy.

779
 780 For each conservation BMP and conservation program, the applicant must list
 781 components of the permittee's implementation strategy for the BMP or program. The
 782 applicant shall include an estimated water savings, where applicable, based on best
 783 available information from appropriate data sources.
 784

785 B. Other metrics. Alternatively, the applicant/permittee shall identify other annual
 786 measurable conservation benefits that demonstrate an improvement or maintenance of
 787 the applicant/permittee's projected water use efficiency due to the
 788 applicant/permittee's conservation program. This may include benefits associated with
 789 facility or manufacturing designs that improve or maintain the permittee's water use
 790 efficiency.
 791

792 An example ACGIP template is provided as Design Aid 2. This template is not incorporated by
 793 reference in Chapter 62-41, F.A.C., and applicants are not required to use it.
 794

795 **CFWI - 2.7.2 Residential Per Capita Water Use Goal**

796 For public supply use only, an applicant must implement an end-of-permit residential per capita
 797 water use goal. Residential per capita water use goal shall be calculated using the following
 798 formula:

799 Total Residential Water Use (or Water Use by Dwelling Units) divided by Service Area
 800 Residential Population.

801 A public supply permittee with an annual average daily quantity of 100,000 gpd or greater shall
 802 track its progress toward achieving the end-of-permit residential per capita water as a distinct
 803 metric within an annual report outlined in Section 2.7.3.1.A. All other public supply permittees
 804 shall address the residential per capita water use goal in their ACGIP.
 805

806 **CFWI - 2.7.3 Public Supply Use Type Annual Conservation Goal**

807
 808 Public supply permittees with an annual average daily quantity of 100,000 gpd or greater shall
 809 meet the requirements of the annual conservation goal by demonstrating yearly progress toward
 810 an end-of-permit per capita daily water use rate of no greater than 100 gpd. The per capita daily
 811 water use rate may be calculated using one of the following progressive formulas:
 812

813 A. Gross Per Capita Water Use Rate, as defined in Section 2.2.3.1.
 814

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815 B. Adjusted Gross Per Capita Water Use Rate

816

817 $(WD + IM - EX - TL - SU - GC - EM)$ 818 RP

819

Where:

820

- WD, IM, EX, and RP are defined in Section 2.2.3.1., and TL is defined in Section 2.2.1.

821

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844

C. Compliance Per Capita Water Use Rate

845

846 $(WD + IM - EX - TL - SU - GC - EM - ST - RW)$ 847 RP

848

849

Where:

850

- WD, IM, EX, TL, SU, GC, EM, and RP are defined above.

851

852

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860

- ST = Separately metered and reported stormwater quantities captured by the Permittee that are included in the utility's permitted quantities for uses inside the service area other than for golf course irrigation. The stormwater withdrawal quantities deducted shall not exceed the quantities actually provided, or those that would be permitted for the use by the District, whichever is less. Stormwater quantities deducted as GC use above may not be included in this deduction for stormwater. The surface withdrawal points from the stormwater catchments shall be permitted on the provider's water use permit and must be reported as WD in the Annual Report described below to be deducted. The stormwater deduction shall not be taken where

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- 861 the quality of the ground water source to be permitted or replaced is of lower
 862 water quality but is suitable for the intended use, unless the use of the
 863 stormwater in such cases reduces adverse impact to the water resources.
- 864 • RW = Standard deduction of 50%, or if the Applicant chooses, up to the
 865 limit of the actual amount of reclaimed water that has received at least
 866 secondary treatment and is provided to directly replace an existing or
 867 potential use of higher quality water. To be deducted, it must first be
 868 provided to any metered use located outside the utility potable service area
 869 boundary and then to any single-site separately-metered use within the
 870 utility potable service area boundary that uses 25,000 gpd or more on an
 871 annual average basis during the per capita reporting period, except that no
 872 deduction shall be taken for quantities used for:
 - 873 ○ Residential irrigation (single family, multi-family or mobile home),
 874 or
 - 875 ○ Common area irrigation, including entranceways, parking lots,
 876 irrigated areas within roadway rights-of-ways (e.g., road and
 877 sidewalk medians), open spaces, community areas, and public parks.
- 878 This deduction shall not be taken if the reclaimed water replaces existing
 879 demand on the Permittee's potable system. Any deduction over the standard
 880 50% reclaimed water per capita credit must be substantiated with verifiable
 881 and corresponding reductions in the supplied WUP pumpage (all deductions
 882 subject to District approval).

883 **CFWI - 2.7.3.1 Compliance with Per Capita Daily Water Use Rate**

884 **A. Annual Report**

885
 886 For all public supply permits with an annual average daily quantity of 100,000 gpd or
 887 greater, compliance with the Residential Per Capita Water Use Goal and the Public
 888 Supply Annual Conservation Goal shall be monitored via an Annual Report that each
 889 Permittee must submit to the district by April 1 of each year.

890
 891 For the Public Supply Annual Conservation Goal, quantities included in the calculation
 892 of Gross Per Capita Water Use, Adjusted Per Capita Water Use, and Compliance Per
 893 Capita Water Use in Section 2.7.3 shall be documented and reported by the Permittee
 894 in the Annual Report for the reporting period included in the permit as follows:

- 895
 896 1. WD (Withdrawals) – Documentation shall consist of pumpage records in
 897 annual average gpd as metered at the well head(s), wellfield departure point,
 898 surface water intake facility, stormwater facility or reclaimed water lines. The
 899 pumpage records shall be totaled for a total withdrawal quantity for the
 900 reporting period.
- 901
 902 2. IM (Imported Water) – Documentation shall consist of a summary report of
 903 the water purchased or otherwise obtained in bulk from another utility for
 904 potable use in the service area in annual average gpd, and the supplier's WUP

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- 905 number(s), or consumptive use permit number if the supplier is in another
 906 water management district. Quantities shall be determined at the departure
 907 point from the supplier's service area. Irrigation water imported into the
 908 service area from another utility must be documented separately according to
 909 the use type (for example, commercial, residential, recreational/aesthetic).
 910
- 911 3. EX (Exported Water) – Documentation shall consist of annual average gpd
 912 transferred in bulk quantities to another utility, and the recipient's WUP
 913 number(s), or permit number if the recipient is in another water management
 914 district. Quantities shall be determined at the departure point from the
 915 exporting Permittee's service area. Water supplied to wholesale public supply
 916 customers that are not required to obtain a Wholesale Public Supply Water
 917 Use Permit that are included in this category shall be identified by customer
 918 name and quantity.
 919
- 920 4. TL (Treatment Losses) – Documentation shall consist of the annual average
 921 gpd lost in routine treatment for potability. Examples of treatment losses types
 922 are desalination reject, membrane cleaning and sand filtration backwash.
 923 Treatment losses are calculated as raw water into the plant minus treated water
 924 out of the plant. Treated water volume delivered to the distribution system
 925 includes water from withdrawals plus imports, minus exports, minus treatment
 926 losses. Treatment loss and line flushing quantities shall be separately
 927 calculated and documented.
 928
- 929 5. SU (Significant Uses) – Documentation shall consist of:
 930 i. the type of Industrial/Commercial use.
 931 ii. the customer's name and mailing address.
 932 iii. the customer's contact person's name, email address and telephone
 933 number.
 934 iv. annual average daily quantities provided.
 935 v. supporting meter readings or bills.
 936 vi. a conservation plan that describes the Permittee's specific water
 937 conservation programs for significant users.
 938 vii. a water audit that documents the type(s) of water uses that occur
 939 within the significant user's facility, quantities used per type, and leak
 940 detection and other water conservation activities undertaken by the
 941 user.
 942
- 943 6. GC (Golf Courses) – Documentation shall include a report on the permitted and
 944 separately metered quantities from ground water, surface water, reclaimed and
 945 stormwater sources used for golf course irrigation. To deduct these quantities,
 946 the quantities must be authorized for golf course irrigation in the permit for
 947 which per capita is being calculated.
 948

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- 949 7. EM (Environmental Mitigation) – Documentation shall include a report on the
 950 permitted and used quantities for the reporting period in gpd for environmental
 951 mitigation as required by the permit for which per capita is being calculated.
 952
- 953 8. ST (Stormwater) – Documentation shall include a report on the separately
 954 metered stormwater quantities generated and used in the service area that are
 955 included in the utility's permit for the service area for uses other than golf course
 956 irrigation. If the stormwater quantities are not reported as WD, they may not be
 957 deducted. The report shall include the number of connections by use type (e.g.,
 958 residential, commercial, recreation aesthetic, etc.)
 959
- 960 9. RW (Reclaimed Water Credit) – Documentation shall include a report on
 961 separately metered reclaimed water quantities generated by:
 962 i. Name of the customer;
 963 ii. Account number;
 964 iii. Customer service address;
 965 iv. Quantities provided during the reporting period in average gpd;
 966 v. Claimed deduction during the reporting period in average gpd;
 967 vi. Meter size;
 968 vii. Whether the use is inside or outside of the potable service area
 969 boundary; and
 970 viii. Description of the use (may not include residential or common area
 971 irrigation as described in Section 2.7.3).
 972

973 An example Annual Report template is provided as Design Aid 3. This template is not
 974 incorporated by reference in Chapter 62-41, F.A.C., and applicants are not required to use
 975 it.
 976

977 B. Documentation of Per Capita Daily Water Use Calculations for the Annual Report

978 If the Permittee achieves the 100 gpd per capita water use rate goal using any of the
 979 methods set forth in Section 2.7.3, they will be deemed in compliance with the per capita
 980 requirement.

981 The District will evaluate the information submitted by Permittees, including those
 982 operating under a Goal-based Water Conservation Plan, who have a Compliance Per Capita
 983 Water Use Rate greater than 100 gpd. Permittees may justify lack of achievement by
 984 documenting any unusual water needs, such as unusual plant establishment needs.
 985 However, justification for non-compliance does not constitute a waiver of the District's
 986 authority to enforce the terms and conditions of the Permit. Phased reductions in water use
 987 shall be required unless the applicant demonstrates that water usage was reasonable under
 988 the circumstances reported and that further reductions are not technically, environmentally,
 989 or economically feasible, or a variance has been granted from the Public Supply Annual
 990 Conservation Goal. For such Permittees, individual water conservation requirements shall
 991 be developed on a case-by-case basis.

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992 C. Phase-In Where a Per Capita Daily Water Use Rate of 100 GPD is Exceeded as of
993 December 31, 2023

994 Existing Permittees with a three-year Compliance Per Capita Water Use Rate greater than
995 100 gpd as of December 31, 2023 shall achieve a Compliance Per Capita Water Use Rate
996 of 100 gpd as set forth below, or earlier if the Permittee deems it feasible. The three-year
997 Compliance Per Capita Water Use Rate shall be calculated as the average of the
998 Compliance Per Capita Water Use Rates documented in the Annual Report for 2023 and
999 the two years prior.

- 1000 1. By July 1, 2024, the Permittee shall submit to the district a plan that identifies
1001 conservation or water supply project(s) that will be developed and
1002 implemented to achieve the Compliance Per Capita Water Use Rate of 100
1003 gpd.
- 1004
- 1005 2. By December 31, 2033, the Permittee shall achieve a per capita rate not
1006 greater than the midpoint between the three-year average Compliance Per
1007 Capita Water Use Rate calculated as of 2023 and 100 gpd.
- 1008
- 1009 3. By December 31, 2043, the Permittee shall achieve a Compliance Per Capita
1010 Water Use Rate that is not greater than 100 gpd.
- 1011
- 1012 4. The timeframes set forth in this section may be adjusted downward
1013 proportional to the permit duration for permits less than 20 years.
- 1014
- 1015 5. A Permittee that does not achieve a Compliance Per Capita Water Use Rate
1016 that is less than or equal to 100 gpd by December 31, 2043, may submit
1017 documentation to the District that demonstrates that water usage was
1018 reasonable under the circumstances reported and that further reductions are
1019 not technically, environmentally or economically feasible, or a variance has
1020 been granted from the Public Supply Annual Conservation Goal.
- 1021

1022 **CFWI - 2.8 Allocations from the Upper Floridan Aquifer**

1023
1024 The following requirements shall apply to all applicants proposing to withdraw water from
1025 the Upper Floridan aquifer. Withdrawals from wells that are open to both the Upper and Lower
1026 Floridan aquifers shall be treated as an Upper Floridan aquifer withdrawal and will also be
1027 subject to these requirements.

1028 **CFWI - 2.8.1 Agricultural, Recreational, or Landscape Irrigation**

1029
1030
1031 Agricultural, recreational, or landscape irrigation uses whose allocation is based on the amount
1032 of water needed to supply the supplemental irrigation requirements of the type of crop, turf or
1033 landscape grown are limited to the quantity of water from the Upper Floridan aquifer as
1034 calculated in Sections 2.5 and 2.6.

1035 **CFWI - 2.8.2 All Other Use Types**

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1037
 1038 For all other use types, an applicant shall be restricted to a maximum allocation in an amount no
 1039 greater than its Demonstrated 2025 Demand. Any reductions in current allocations necessary to
 1040 meet this limitation shall be made from a permittee's current allocation from the Upper Floridan
 1041 aquifer. Allocations for withdrawals from alternative water supplies will not be reduced. Permit
 1042 durations shall not be affected for allocations limited to the Demonstrated 2025 Demand.

1043
 1044 If additional water use from a lower quality source or alternative water supply is needed to meet
 1045 current or future demands as calculated in Sections 2.2, 2.3, or 2.4, the applicant shall provide a
 1046 plan pursuant to Section 2.8.3 to ensure reasonable assurance the conditions for issuance are met
 1047 for those additional quantities.

1048 In determining allocations from the Upper Floridan aquifer, the limitations within this subsection
 1049 shall not restrict the District's consideration of any conservation, water resource or water supply
 1050 development projects completed by an applicant or permittee after December 31, 2015.

1051
 1052 **CFWI - 2.8.2.1 Exceptions:**

1053 The restrictions in subsections 2.8.1 and 2.8.2 on groundwater allocations shall not limit permitted
 1054 groundwater withdrawals from:

- 1055 A. Aquifer storage and recovery wells that receive only surface water, stormwater, or
 1056 reclaimed water, when the volume of water withdrawn does not exceed the volume of
 1057 water injected; or
 1058
 1059 B. An injection/recovery wellfield that injects surface water, stormwater, or reclaimed
 1060 water that is not required under District rules to be provided to other uses, through
 1061 one or more wells for storage within an aquifer zone and subsequently recovers it
 1062 through wells from the same aquifer zone and in the same wellfield, when the volume
 1063 of water withdrawn does not exceed the volume of water injected; or
 1064
 1065 C. A recharge/recovery project that receives only surface water, stormwater, or
 1066 reclaimed water that is not provided to users in accordance with District rules, when
 1067 the volume of water recovered does not exceed the volume of water recharged, and
 1068 the drawdown due to recovery of water from the Upper Floridan aquifer will be offset
 1069 in the:
 1070 1. surficial aquifer by recharge from the project, and
 1071 2. Floridan aquifer by recharge from the project, except immediately adjacent to
 1072 the recovery well(s).

1073
 1074 **CFWI - 2.8.3 Allocations from the Upper Floridan Aquifer Above the Demonstrated 2025**
 1075 **Demand**

1076
 1077 By December 31, 2023, any permittee or applicant seeking a permit duration extending beyond
 1078 2025 whose projected water demand will exceed its Demonstrated 2025 Demand shall submit a
 1079 plan to the District describing how the remainder of their demand will be met (e.g., impact offsets,
 1080 substitution credits, alternative water supply development). The plan shall propose projects and

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1081 identify a schedule for implementation. Annual updates detailing progress shall be provided to the
 1082 District. The annual status reports shall include work completed to date, expenditures, and any
 1083 anticipated changes in timelines.

1084 An applicant may obtain an allocation for additional water from the Upper Floridan aquifer over
 1085 the applicant's Demonstrated 2025 Demand, as identified below:

1086

1087 **CFWI - 2.8.3.1 Temporary Allocations**

1088

1089 A "temporary allocation" is water temporarily required to meet the applicant's reasonable
 1090 demands while implementing an offset (see subsection 2.8.3.2 below), a substitution credit or
 1091 land use transition (see subsection 2.8.3.3, below), or an alternative water supply (See subsection
 1092 2.8.3.4, below). Temporary allocations are not available to new uses of the Upper Floridan
 1093 aquifer. The permit will be conditioned with dates and milestones for development of the
 1094 alternative water supply or offset. A temporary allocation shall be reduced to be consistent with
 1095 this subsection when the alternative source is projected to be available, consistent with permit
 1096 conditions.

1097

1098 The permit conditions governing the quantity and duration for the temporary allocation shall be
 1099 based on expected due diligence of the applicant, as determined by applying the factors in A
 1100 through C, below, to implement the project in an expeditious manner, not to exceed five years
 1101 unless specifically approved by the Governing Board. The duration shall be determined
 1102 considering the following factors:

1103

1104 A. The projected time period for design, receipt of necessary authorizations, and
 1105 construction of the alternative supply or offset;

1106

1107 B. The timing of demands to be met from the alternative supply or offset;

1108

1109 C. Other factors that indicate the reasonable period required to develop the alternative
 1110 supply or offset.

1111

1112 **CFWI - 2.8.3.2 Implementation of Offsets**

1113

1114 The applicant may propose the implementation of offsets. In the applicant selects this option, the
 1115 applicant shall propose, identify a schedule for implementation, and construct and operate
 1116 adequate offsets to eliminate the projected increase in volume of withdrawals from the Upper
 1117 Floridan aquifer beyond the applicant's Demonstrated 2025 Demand. An offset will be approved
 1118 if the applicant's modeling shows the offset prevents an increase in volume of groundwater
 1119 withdrawn from the Upper Floridan aquifer over the applicant's Demonstrated 2025 Demand.
 1120 Offsets include the use of impact offsets [Subsection 62-40.416(7), F.A.C.], recharge systems
 1121 and seepage barriers.

1122

1123 **CFWI - 2.8.3.3 Substitution Credits or Land Use Transitions**

1124

1125 The applicant may propose the implementation of substitution credits or retirement of existing
 1126 consumptive use permits. If the applicant selects this option, the applicant shall identify

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1127 terminated or reduced CUP allocations as stated below. The request will be approved if the
 1128 applicant's modeling demonstrates that the requested allocation does not cause an increase in
 1129 volume of withdrawals from the Upper Florida aquifer over the applicant's Demonstrated 2025
 1130 Demand due to the reduction or elimination of other CUPs that existed on [rule effective date].
 1131 The applicant must demonstrate that water is available by providing documentation of the
 1132 implementation of a substitution credit [Subsection 62-40.416(8), F.A.C.] or other modification
 1133 or retirement of the historic consumptive use permit before issuance of the proposed permit
 1134 under this rule.

1135
 1136 For agricultural, recreational, and landscape irrigation uses, the retired quantity will be based on
 1137 the average annual allocation which is the amount of supplemental irrigation required during a
 1138 five in ten rainfall condition. For all other use types, the retired quantity will be based on the
 1139 Demonstrated 2025 Demand or actual permitted allocation, whichever is less.

1140

1141 **CFWI - 2.8.4 Development of Alternative Water Supplies**

1142 To meet projected water demands in excess of an applicant's Demonstrated 2025 Demand, the
 1143 applicant may propose an alternative water supply. If the applicant selects this option, the
 1144 applicant shall propose, identify a schedule for implementation, and construct and operate
 1145 alternative water supplies, as defined in Section 373.019(1), F.S. An alternative water supply will
 1146 be approved if it is adequate to meet the reasonable increased demands and modeling
 1147 demonstrates it will not cause an increased volume of the withdrawal from the Upper Floridan
 1148 aquifer over the Demonstrated 2025 Demand.

1149

1150 **CFWI - 2.8.5 Conservation**

1151 In determining the amount of offsets that must be developed as set forth in subsection 2.8.3.2 and
 1152 2.8.3.3 above, the applicant may subtract the portion of its demand that the applicant
 1153 demonstrates will be satisfied by water conservation.

1154 **CFWI - 2.8.6 New Uses**

1155

1156 In addition to meeting the conditions for issuance, applications for new uses that request the use of
 1157 groundwater from the Upper Floridan aquifer for a duration beyond 2025 shall be met from the
 1158 implementation of the methods described subsections 2.8.3.2, 2.8.3.3 and 2.8.4.

1159

1160 **CFWI - 2.8.7 Competing Applications**

1161 In adopting these rules, the agencies acknowledge the increasing stress on the water resources in the
 1162 CFWI and the mandate of the legislature to foster the development of additional water supplies and
 1163 avoid the adverse effects of competition. However, these rules do not abrogate the rights of the
 1164 Governing Board or of any other person under Section 373.233, F.S. The CFWI regulatory
 1165 framework provides a comprehensive strategy for allocations of available groundwater and
 1166 expeditious development of supplemental water supply projects to minimize competition and
 1167 thereby provide greater certainty of outcome than competition.

1168 **CFWI - 2.9 Use of Lowest Quality Water Source**

1169

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1170 Except when the use is for those activities described below, applicants must provide reasonable
 1171 assurance that the proposed use (or portion of the proposed use) will be met with the lowest
 1172 quality water source that is suitable for the purpose and is technically, economically, and
 1173 environmentally feasible.

1174
 1175 The following uses are exempt from this section: water used for washing hands during and after
 1176 harvest activities; water that is applied in any manner that directly contacts produce during or
 1177 after harvest activities (for example, water that is applied to produce for washing or cooling
 1178 activities, and water that is applied to harvest crops to prevent dehydration before cooling); and
 1179 water used to make ice that directly contacts produce during or after harvest activities.

1180
 1181 It is possible that the unavailability of higher quality sources may necessitate the development of
 1182 lowest quality sources and appropriate treatment to meet projected demands, including the
 1183 demands resulting from the activities listed above. Nothing in this section shall prohibit an
 1184 applicant from applying to use a lowest quality water source for those listed above.

1185
 1186 **CFWI - 2.9.1 Technical Feasibility**

1187
 1188 The applicant shall submit the following information for use in evaluating the technical
 1189 feasibility for any lowest quality water source:

- 1190
 1191 A. Whether a lowest quality water source exists and is available at the project site.
 1192 B. Whether the source is offered to or controlled by the applicant;
 1193 C. Whether the applicant is capable of accessing the source;
 1194 D. Whether the use of the lowest quality source is allowed under existing state or federal
 1195 law,
 1196 E. The quality, quantity, and reliability of the lowest quality water source,
 1197 F. The crop/turf type being irrigated, including factors such as saline sensitivity.
 1198 Typically reliable sources of information include the UF IFAS and FDACS
 1199 publications; and
 1200 G. Any other relevant information, which may include market criteria, including foreign
 1201 market requirements, provided by the applicant.

1202
 1203 For reclaimed water, the following additional information shall also be used:

- 1204
 1205 H. The type of reuse system and level of treatment afforded by the applicable reuse
 1206 utility.
 1207 I. Whether the Department has permitted the reuse facility that will provide the
 1208 reclaimed water supply and/or has permitted the use or discharge of the reclaimed
 1209 water to the receiving waterbody, if applicable.
 1210 J. The water quality parameters of the reclaimed water for the constituents that are
 1211 pertinent to the intended use.
 1212 K. Whether the proposed use is located within a mandatory reuse zone.
 1213 L. Whether the proposed use is in an area that is or may be served with reclaimed water
 1214 by a reuse utility within five years from the date of application. To demonstrate this
 1215 criterion, the applicant shall provide written documentation from the applicable reuse

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1216 utility addressing the availability of reclaimed water. The applicant shall request from
 1217 the reuse utility a letter stating that reclaimed service is not available, or providing the
 1218 following information:

- 1219 1. If reclaimed water is not available at the property boundary, the applicant
 1220 shall provide the following:
 - 1221 i. An estimate of the distance in feet from the applicant's property
 1222 boundary to the nearest potential connection point to a reuse line.
 - 1223 ii. The date the reuse utility anticipates bringing the connection to the
 1224 applicant's property boundary.
- 1225 2. If reclaimed water is available at the property boundary, the applicant shall
 1226 provide:
 - 1227 i. The peak, minimum, and annual average daily quantity in gallons per
 1228 day of reclaimed water supply available from the nearest potential
 1229 connection point, as well as expected average monthly quantities.
 - 1230 ii. The reliability of the potential reclaimed water supply (i.e., on-demand
 1231 24/7, or bulk-interruptible diurnal or seasonal, length of supply
 1232 agreement).
 - 1233 iii. The typical operating pressures at which the reuse utility will provide
 1234 reclaimed water at the nearest connection point to the applicant's
 1235 property boundary, including any typical seasonal or other fluctuations
 1236 in the operating pressure.

1237 Reuse utilities shall provide a written response to requests for documentation by
 1238 permit applicants no later than thirty (30) days after receipt of the request. If a reuse
 1239 utility fails to respond to a request for documentation within thirty (30) days, the
 1240 applicant shall furnish the District with a copy of its request, proof of receipt by the
 1241 reuse utility, and a statement attesting that the reuse utility failed to provide the
 1242 requested information. Upon the failure of a reuse utility to respond to a request for
 1243 documentation, the applicant shall complete the feasibility evaluation utilizing the
 1244 best available information.

1245 **CFWI - 2.9.2 Environmental Feasibility**

1246 The environmental feasibility of using a lowest quality water source shall be evaluated based on
 1247 whether the use of a lowest quality water source would result in adverse environmental impacts.
 1248 For example, the use of a lowest quality water source must be consistent with the recovery or
 1249 prevention strategy of a waterbody with an established Minimum Flow or Minimum Water
 1250 Level.
 1251

1252 **CFWI - 2.9.3 Economic Feasibility**

1253 An applicant must provide an assessment of the economic feasibility if the lowest quality water
 1254 source is technically and environmentally feasible and the applicant asserts the use of the lowest
 1255 quality water source is not economically feasible. The applicant shall submit the following
 1256 information for the Districts to consider in evaluating the economic feasibility of using a lowest
 1257 quality water source:
 1258
 1259
 1260
 1261

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- 1262 A. The costs and benefits of using the lowest quality water source as compared to the
 1263 higher quality water source, including the amount of lowest quality source water that
 1264 can be produced or used relative to the cost;
 1265 B. Impact on rates or charges associated with the applicant's operation to account for
 1266 costs associated with using the lowest quality water source; and
 1267 C. Other factors affecting the economic feasibility of using the lowest quality water
 1268 source given the applicant's particular situation.
 1269

1270 For reclaimed water, the applicant shall obtain from the applicable reuse utility and provide the
 1271 following additional information:
 1272

- 1273 D. The reclaimed water rate(s) the reuse utility would charge the applicant (e.g., the cost
 1274 per/1000 gallons) and any other periodic, fixed, or minimum charges for use of
 1275 reclaimed water by the applicant;
 1276 E. The reclaimed water availability charges the reuse utility would charge the applicant
 1277 in lieu of connection to the reclaimed water distribution system;
 1278 F. Other one-time charges for the connection to the reclaimed water distribution system
 1279 and
 1280 G. Whether the reuse utility provides funding assistance to offset the costs to connect to
 1281 the reclaimed water distribution system or assists potential customers in converting
 1282 their operations to use reclaimed water.
 1283

1284 The Supplemental Applicant's Handbook Design Aid 4, titled, "Guidelines for Preparation of
 1285 Reuse Feasibility Studies for Consumptive Use Permit applicants" and dated November 1996 is
 1286 available solely to provide applicants with useful tools and suggestions that may assist in the
 1287 preparation of reuse feasibility studies for consumptive use permits under Chapter 62-41, F.A.C.
 1288 The Design Aid is not incorporated by reference in Chapter 62-41, F.A.C., and applicants are not
 1289 required to use the tools or suggestions of this Design Aid when preparing a reuse feasibility
 1290 study.

1291 **CFWI – 3.0 Harm to the Water Resources of the Area**

1292
 1293 Only within the CFWI Area, this section, CFWI – 3.1. through 3.5., supersedes in its entirety
 1294 sections 2.3(g), 3.4, and 3.7 of the SJRWMD Applicant's Handbook, sections 3.3, 3.4, 3.5, and
 1295 3.8 of the SWFWMD Applicant's Handbook; and sections 2.3.2.B.2.d.i, 3.3 3.4, 3.5, and 3.8 of
 1296 the SFWMD Applicant's Handbooks.
 1297

1298 To provide reasonable assurance of compliance with the conditions for issuance in Rule 62-
 1299 41.301(2)(g)2., F.A.C., an applicant must demonstrate that the use will meet the requirements of
 1300 this section. The District will utilize the conditions for issuance in Rule 62-41.301(2)(g), F.A.C.,
 1301 and sections 3.1 through 3.5 of this Handbook, to determine whether a use will cause harm to the
 1302 water resources of the area.
 1303

1304 **CFWI – 3.1 Harmful water quality impacts to the water source resulting from the** 1305 **withdrawal or diversion**

1306

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1307 A CUP application will be denied if the water withdrawal(s) would cause harmful water quality
 1308 impacts to the water source resulting from the withdrawal or diversion. For example, (a) the
 1309 induced movement of a contamination plume; or (b) the alteration of the rate or direction of the
 1310 movement of a contamination plume, as evidenced by the predicted influence the water
 1311 withdrawals would have on inducing movement of the contamination plume or as indicated by a
 1312 sustained increase in background levels in contaminant concentrations.
 1313

1314 **CFWI – 3.2 Harmful water quality impacts from dewatering discharge to receiving**
 1315 **waters**

1316
 1317 The use must not cause harmful water quality impacts from dewatering discharge to receiving
 1318 waters. Dewatering water must be retained onsite unless the applicant demonstrates it is not
 1319 technically feasible to retain the dewatering water onsite. If offsite discharge is requested, the
 1320 applicant shall provide documentation authorizing the applicant to discharge directly into the
 1321 receiving waterbody or adjacent lands and a demonstration that the receiving waterbody or
 1322 adjacent lands are capable of accepting the dewatering discharge. Applicants who have obtained
 1323 and are in compliance with a National Pollutant Discharge Elimination System (NPDES) or
 1324 Environmental Resource Permit for dewatering shall be considered to not cause harmful water
 1325 quality impacts from dewatering discharge to receiving waters.
 1326

1327 **CFWI – 3.3 Harmful saline water intrusion or harmful upconing resulting from water**
 1328 **withdrawals**

1329
 1330 The purpose of this section is to determine whether saline water intrusion or upconing is harmful
 1331 to the water resources of the area. Saline water intrusion can cause harm not only to fresh water
 1332 resources, but also water resources with higher chloride concentrations and total dissolved solids
 1333 concentrations (e.g., brackish water).
 1334

1335 “Saline water intrusion” means the movement of water caused by withdrawals resulting in
 1336 increases in total dissolved solids (TDS) or chloride concentrations. “Saline water intrusion” as
 1337 used in the CFWI is not limited to the intrusion of water defined as “saline” by a water
 1338 management district or other publication, but includes an increase in TDS or chloride
 1339 concentrations from that existing prior to the proposed withdrawal. Saline water intrusion can
 1340 occur laterally or vertically (the latter of which is termed “upconing”). Saline water intrusion is
 1341 harmful when the increase in total dissolved solids or chloride concentrations detrimentally
 1342 effects the applicant or other existing legal users of water, or is otherwise detrimental to the
 1343 public interest.
 1344

1345 The District will not consider saline water intrusion as harmful if it is the result of seasonal
 1346 fluctuations; climatic conditions; or operation of the Central and Southern Flood Control Project,
 1347 secondary canals or stormwater systems.
 1348

1349 Nothing in this section shall be used to determine whether a source qualifies as an alternative
 1350 water supply, as defined in section 373.019, F.S, or qualifies for funding by a District.
 1351

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1352 To satisfy the requirements of this section, an applicant shall provide reasonable assurance that
 1353 the applicant's proposed use will not cause harmful saline water intrusion or upconing. As part of
 1354 the consideration of whether the use will cause harmful saline water intrusion or upconing, the
 1355 following factors must be considered as applicable:

- 1356
- 1357 A. Whether there is movement of more saline water to a greater distance inland or
 1358 towards a withdrawal point than from that existing prior to the proposed withdrawal
 1359 and not as a result of seasonal fluctuations or climatic conditions;
- 1360
- 1361 B. Whether there is a sustained amount and rate of increase of TDS or chloride
 1362 concentrations at the base of the aquifer(s) or producing zone(s) from that existing
 1363 prior to the proposed withdrawal;
- 1364
- 1365 C. Whether there would be adverse impacts to values or functions of wetlands or other
 1366 surface waters, including springs;
- 1367
- 1368 D. Whether a higher quality water source would be adversely impacted by the
 1369 withdrawal;
- 1370
- 1371 E. Whether the anticipated increase in TDS or chloride concentrations can be monitored
 1372 and treated by the applicant for its intended purpose; and
- 1373
- 1374 F. The geographic extent of any increase in TDS or chloride concentrations.
- 1375

1376 **CFWI - 3.3.1 Technical Assistance**

- 1377
- 1378 A. The Supplemental Applicant's Handbook Design Aid 5, titled "Calculation of the
 1379 Maximum Safe Yield of Well for the Prevention of Upconing", is available solely to
 1380 provide applicants with useful tools that may assist in presenting reasonable
 1381 assurance that the withdrawal will not cause harmful upconing under the proposed
 1382 consumptive use permit applications evaluated under Chapter 62-41, F.A.C. This
 1383 calculation may not be appropriate in all location for every well – applicants should
 1384 consult Design Aid 5 for more information. The Design Aid is not incorporated by
 1385 reference in Chapter 62-41, F.A.C., and applicants are not required to use the tools of
 1386 this Design Aid when preparing its reasonable assurance nor is the district required to
 1387 rely on its submittal as reasonable assurance.
- 1388
- 1389 B. Applicants under 100,000 gpd are encouraged to seek technical assistance from the
 1390 Districts.
- 1391

1392 **CFWI – 3.4 Harmful hydrologic alterations to natural systems, including wetlands or other** 1393 **surface waters**

1394

1395 This Section establishes the standards for evaluating impacts to natural systems, including
 1396 wetlands or other surface waters, pursuant to the conditions for permit issuance in Rule 62-

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1397 41.301, F.A.C. These standards apply to all water withdrawals, including applications for the
 1398 initial use of water, modifications, and renewals of consumptive use permits, and authorized
 1399 water uses, herein referred to as the “water use.” In its evaluation of the applicant’s water use,
 1400 the extent of hydrologic alterations caused by the applicant’s water use shall be considered,
 1401 except as otherwise provided herein.

1402
 1403 Districts shall not consider impacts to wetlands and other surface waters not caused by the water
 1404 use, including, but not limited to, impacts caused by existing surface water management
 1405 activities, drainage, water table lowering, roads, levees and adjacent land uses.

1407 **CFWI – 3.4.1 Identification of Wetlands and Other Surface Waters**

1408
 1409 Wetlands and other surface waters as delineated pursuant to Chapter 62-340, F.A.C. or identified
 1410 using alternative methods outlined below, that are within the area of influence of a water
 1411 withdrawal, are subject to section 3.4 through subsection 3.4.7, except as provided by the
 1412 exclusions in subsection 3.4.2.

1413
 1414 Reasonable scientific judgment shall be used to evaluate the existence and extent of a wetland or
 1415 other surface water, including all reliable information, such as visual site inspection and aerial
 1416 photointerpretation. In addition, relevant information submitted pursuant to Chapters 62-330 or
 1417 62-340, F.A.C, in support of an ERP/SWM Permit shall be considered.

1418
 1419 In determining the location of wetlands and other surface waters, the applicant may consult staff
 1420 reports of previously issued ERP and SWM Permits for the site and adjacent sites, NWI Maps,
 1421 Land Use/Land Cover maps, NRCS-USDA soils maps, formal and informal wetland
 1422 determinations issued by the District or Department, and other similarly reliable sources of
 1423 information. District staff will attempt to locate the landward extent of wetlands or other surface
 1424 waters visually by: onsite inspection, aerial photointerpretation, or photointerpretation in
 1425 combination with ground truthing, without quantitative sampling. The methodology shall not be
 1426 used to delineate areas which are not wetlands as defined in subsection 62-340.200(19), F.A.C.

1428 **CFWI – 3.4.2 Exclusions of Certain Wetlands and Other Surface Waters**

1429
 1430 The District will not consider the following impacts as harmful to natural systems, including
 1431 wetlands or other surface waters.

- 1432
 1433 A. For the purposes of this subparagraph 1 only, “isolated wetland” means any area that
 1434 is determined to be a wetland in accordance with Chapter 62-340, F.A.C., but that
 1435 does not have any connection via wetlands or other surface waters as determined
 1436 using Rule 62-340.600, F.A.C. The District will not consider impacts to isolated
 1437 wetlands one half (0.5) acre or less in size unless:
- 1438 1. The wetland is used by endangered or threatened species;
 - 1439 2. The wetland is in an area of critical state concern designated pursuant to
 1440 Chapter 380, F.S.;
 - 1441 3. The wetland is connected by standing or flowing surface water at seasonal
 1442 high water level to one or more wetlands, and the combined wetland acreage

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- 1443 so connected is greater than one half (0.5) acre. Wetland connection is
 1444 determined by the delineation methods for surface waters set forth in Chapter
 1445 62-340, F.A.C.; or
 1446 4. The District establishes that the wetland to be impacted is, or several such
 1447 isolated wetlands to be impacted are, cumulatively, of more than minimal
 1448 value to fish and wildlife.
 1449
 1450 B. Wetlands or other surface waters which were either authorized to be impacted
 1451 through a permit issued under Part IV of Chapter 373, F.S., or Part VIII of Chapter
 1452 403, F.S. (1984 Supp.) as amended, or allowed by an exemption under those statutes
 1453 (or rules promulgated thereunder).
 1454
 1455 C. Ponds constructed in uplands and less than one acre in area and drainage ditches that
 1456 were constructed in uplands, so long as:
 1457 1. Such ponds or ditches are not part of a permitted wetland creation,
 1458 preservation, restoration or enhancement program; and
 1459 2. Such ponds or ditches do not provide significant habitat for endangered or
 1460 threatened species.
 1461
 1462 However, consideration of such systems shall be subject to all other conditions of
 1463 permit issuance.
 1464
 1465 D. Wetlands or other surface waters to the extent they have been specifically authorized
 1466 to be impacted or mitigated pursuant to a previously issues consumptive use permit,
 1467 unless the applicant proposes additional impacts. In such case, the District will only
 1468 consider the proposed additional impacts to wetlands or other surface waters.
 1469
 1470

1471 CFWI - 3.4.3 Evaluation of Harm to Natural Systems

1472
 1473 Harm to the water resources will be evaluated by comparing the existing natural system to the
 1474 predicted post withdrawal conditions. Previously permitted or exempt physical alterations to
 1475 environmental features, such as drainage systems or water control structures, will be considered
 1476 as the existing condition. However, areas impacted by activities in violation of a District or
 1477 Department rule, order, or permit adopted or issued pursuant to Chapter 373, F.S., or Part VIII of
 1478 Chapter 403, F.S. (1984 Supp.) as amended, will be evaluated as if the activity had not occurred.
 1479

1480 The evaluation of wetlands and other surface waters will consider their hydrologic characteristics
 1481 and susceptibility to harm resulting from hydrologic alterations attributed to the proposed water
 1482 withdrawals individually and cumulatively. The assessment of impacts expected due to the water
 1483 use will be based on the best available information. An applicant shall only be required to
 1484 address its relative contribution of harm to the wetlands and other surface waters from its water
 1485 use.
 1486

1487 To evaluate the conditions below, the applicant must provide the following supporting information
 1488 as applicable to assist in the impact evaluation:

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- 1489
- 1490 A. Scaled map and recent aerial photographs that identify the:
- 1491 1. Area of influence of the individual and cumulative effects of the proposed
- 1492 water use;
- 1493 2. The locations of all wetlands and other surface waters that occur within the
- 1494 area of influence of the individual and cumulative effects of the proposed
- 1495 water use, including wetlands and other surface waters located outside the
- 1496 applicant's property boundaries; and
- 1497 3. Locations of existing and proposed withdrawal facilities.
- 1498
- 1499 B. Information about the hydrology and current conditions of the wetlands and other
- 1500 surface waters.
- 1501
- 1502 C. Information regarding the potential impact of the individual and cumulative effects of
- 1503 the proposed water use on the wetland or other surface water in its current condition.
- 1504
- 1505 D. A summary report of any modeling performed and electronic copies of any modeling
- files for District staff to review.
- 1506
- 1507 E. Site specific information shall be submitted by the applicant, if requested by the District
- 1508 or if otherwise deemed relevant by the applicant, for determining whether the narrative
- 1509 standards, set forth below, have been met. The applicant shall provide site specific
- 1510 information on the local hydrology, geology, actual water use or unique seasonality of
- water use, including:
- 1511 1. Consideration of site specific hydrologic or geologic features that affect the
- 1512 projected drawdown, including the existence and extent of confining layers
- 1513 that impede the vertical movement of water under the wetland, preferential
- 1514 flow paths, seepage face wetlands that receive high rates of inflow, or the
- 1515 effects of soil depth and type on moisture retention, to the degree that actual
- 1516 field data support how these factors affect the potential for impacts of the
- 1517 water use on the wetland or other surface water.
- 1518 2. If the applicant asserts that the actual water use has not caused harm to
- 1519 wetlands or other surface waters, site specific information on the condition of
- 1520 the wetlands or other surface waters in question must be provided in
- 1521 conjunction with pumpage records or other relevant evidence of actual water
- 1522 use to substantiate the assertion. Applicable monitoring data and historic
- 1523 photography shall be submitted, if available.
- 1524 3. Other relevant factors or information in assessing the potential for harm to
- 1525 wetlands and other surface waters, such as the condition, size, depth,
- 1526 uniqueness, location, and fish and wildlife utilization, including listed species,
- 1527 of the wetland or other surface water.
- 1528
- 1529 F. Where there is potential for harm, information required to determine whether the harm
- 1530 can be eliminated pursuant to Section 3.6 below.
- 1531

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1532 G. A monitoring plan to assess the effects of the water use, if required. A monitoring plan
 1533 shall be required when necessary to provide continued verification that no harm is
 1534 occurring due to the water use.

1535 H. If the applicant asserts the exclusions in Subsections 3.4.2, above, apply to wetlands or
 1536 other surface waters within the area of influence of the proposed water use, the
 1537 applicant must provide appropriate information supporting this assertion, including
 1538 relevant information from the permit file.

1539 **CFWI - 3.4.4 Harm to Wetlands**

1540
 1541 Harm to wetlands is:

1542
 1543 A. Changes in wetland hydroperiods and wet season water levels from the withdrawal or
 1544 diversion that cause wetlands plant species composition or community zonation to be
 1545 adversely impacted.

1546
 1547 B. Changes in hydrology from the withdrawal or diversion that adversely impact wetland
 1548 habitat functions for aquatic or wetland dependent flora or fauna either temporally or
 1549 spatially. Wetland habitat functions include, but are not limited to, providing cover
 1550 and refuge; breeding, nesting, denning, and nursery areas; corridors for wildlife
 1551 movement; food chain support; and natural water storage, natural flow attenuation, and
 1552 water quality improvement, which enhances fish, wildlife, and endangered and
 1553 threatened species utilization.

1554
 1555 C. Changes in hydrology from the withdrawal or diversion that alter habitat for
 1556 endangered or threatened species to the extent that utilization by those species is
 1557 impaired.

1559 **CFWI - 3.4.5 Harm to Flowing Systems**

1560
 1561 Harm to flowing systems is:

1562
 1563 A. Changes in flow rates from the withdrawal or diversion that cause adverse impacts to
 1564 aquatic or wetland dependent flora or fauna in springs, including those classified as
 1565 Outstanding Florida Springs, streams, rivers or estuaries.

1566
 1567 B. Changes in flow rates from the withdrawal or diversion that cause downgradient
 1568 watercourses to experience changes to flow rates that cause adverse impacts to aquatic
 1569 or wetland dependent flora or fauna.

1571 **CFWI - 3.4.6 Harm to Lakes**

1572
 1573 Harm to lakes is:

1574
 1575 A. Changes in water levels from the withdrawal or diversion that cause adverse impacts
 1576 to aquatic or wetland dependent flora or fauna.

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- 1577
1578 B. Changes in water levels from the withdrawal or diversion that cause flows to
1579 downgradient watercourses to experience changes to flow rates that cause adverse
1580 impacts to aquatic or wetland dependent flora or fauna.
1581
1582

1583 **CFWI – 3.5 Otherwise Harmful to the Water Resources of the Area**

1584
1585 The issuance of a permit shall be denied if the withdrawal or use of water would otherwise be
1586 harmful to the water resources.
1587

1588 **CFWI - 3.6 Eliminating Harm**

1589
1590 To the extent that harm is determined, the applicant shall modify the project design or water use
1591 to eliminate harm to protected wetlands and other surface waters. Changes to the project design
1592 or water use include developing alternative water supply sources, reducing proposed
1593 withdrawals, implementation of wellfield optimization plan, relocation of withdrawal facilities,
1594 implementation of water conservation measures and creation of hydrologic barriers.
1595

1596 Where a permittee requires time to complete changes to the project design or water use changes
1597 and a stepped allocation has been authorization, the project design or water use changes shall be
1598 completed in accordance with a timeframe set forth in the permit, as appropriate.
1599

1600 **CFWI – 4.0 Harm to Existing Offsite Land Uses**

1601
1602 Within the CFWI Area, this section, CFWI - 4.0, supersedes section 3.6 of the SFWMD and
1603 SWFWMD Applicant’s Handbooks; and section 2.3(f) of the SJRWMD Applicant’s Handbook.
1604

1605 This section describes how an applicant establishes reasonable assurance with the conditions for
1606 issuance set forth in Rule 62-41.301(2)(f), F.A.C.
1607

1608 This Section does not establish a property right in water, but prohibits harm from a water use to
1609 certain land uses that are dependent upon water being on or under the land surface.
1610

1611 Adverse impacts to existing off-site land uses are exemplified by, but not limited to:

- 1612 A. Significant reduction in water levels in a surface water body;
1613
1614 B. Damage to agriculture, including damage resulting from reduction in soil moisture
1615 resulting from water use;
1616
1617 C. Adverse flooding; and
1618
1619 D. Adverse impacts to recreational uses.
1620

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1621 In addition, for uses of water associated with dewatering, an applicant must demonstrate that the
 1622 proposed consumptive use will not cause harm to existing offsite land uses due to the discharge
 1623 of water associated with dewatering activities, as defined in this Section.

1624
 1625 Whether an existing offsite land use is considered under this Section depends on whether there is
 1626 a reasonable expectation that water will continue to exist on or under the land surface to support
 1627 that offsite land use. When determining whether there is a reasonable expectation in the
 1628 occurrence of water for an existing offsite land use, the District will consider:

- 1629
 1630 A. Only those offsite land uses existing at the time of the current application;
 1631
 1632 B. The historic natural and artificial hydrologic variations on the offsite property;
 1633
 1634 C. The design function of the offsite property;
 1635
 1636 D. The purpose and nature of the water or water source on the offsite property, such as
 1637 surface water management or water quality treatment; and
 1638
 1639 E. Hydrologic variations that have occurred or are expected to occur as a result of
 1640 authorized consumptive use withdrawals.

1641
 1642 To be considered under this rule, the impact on an existing offsite land use must be the result of a
 1643 withdrawal associated with a proposed consumptive use. Impacts to land uses can be caused by
 1644 many different activities, such as drainage activities, reduced rainfall, regional trends, and other
 1645 non-consumptive use related influences. Impacts from these non-consumptive use influences will
 1646 not be considered or mitigated for under this Section.

1647
 1648 The applicant must identify those existing land uses that are potentially impacted by the
 1649 withdrawal associated with their consumptive use, such as seepage irrigated crops and surface
 1650 water management systems. The applicant must demonstrate that the resulting change in water
 1651 levels related to the proposed withdrawal will not cause harm, as described in this section above.
 1652 Methods for avoiding harm to existing offsite land uses include: reducing the amount of water
 1653 withdrawn, modifying the method or schedule of withdrawal, mitigating the damages caused, or,
 1654 in the case of dewatering discharges, taking other actions to avoid increasing the potential for
 1655 flooding. However, an applicant may accept adverse flooding impacts, for example, on land
 1656 owned by the applicant or land for which the applicant has demonstrated sufficient legal
 1657 authority to accept such flooding impacts.

1658
 1659 The District shall include as a condition in any applicable permit the requirement that the
 1660 permittee mitigate harm to existing offsite land uses caused in whole or in part by the permittee's
 1661 consumptive use. The permit condition shall require the permittee to submit a mitigation plan for
 1662 approval by the District that identifies actions necessary to mitigate unanticipated harm to
 1663 existing offsite land uses. Such actions must be sufficient to restore the land use that existed prior
 1664 to the impact and may require a permit modification. A mitigation plan may include replacement
 1665 of the impacted individual's equipment, relocation of wells, change in withdrawal source, or

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1666 other means. The mitigation plan will require a permittee to mitigate immediately or upon the
 1667 actual occurrence of harm.

1668
 1669 **CFWI – 5.0 Special Limiting Permit Conditions**

1670 In addition to the Standard Limiting Conditions of the Districts, the following special conditions
 1671 shall be added, as identified below to existing permits and permits for new uses within the CFWI
 1672 Area.

- 1673 A. For all use types, the following special permit conditions shall be added:
 1674 By December 31, 2023, any permittee or applicant seeking a permit duration extending
 1675 beyond 2025 whose projected water demand will exceed its Demonstrated 2025
 1676 Demand shall submit a plan to the District describing how the remainder of its demand
 1677 will be met (e.g., impact offsets, substitution credits, alternative water supply
 1678 development). The plan shall propose projects and identify a schedule for
 1679 implementation. Annual updates shall be due on December 31 of each subsequent year
 1680 detailing progress shall be provided to the District. The annual status reports shall
 1681 include work completed to date, expenditures, and any anticipated changes in timelines.
 1682
- 1683 B. For all public supply permits with an annual average daily quantity of 100,000 gpd or
 1684 greater, the following special permit conditions shall be added:
- 1685 1. The quantities included in the permit are based on an average per capita rate
 1686 of XXX. In accordance with Section 2.7.3 of the CFWI Supplemental
 1687 Applicant's Handbook, the Permittee's per capita water use rate in any given
 1688 year shall not exceed 100 gpd.
 1689
 - 1690 2. The Permittee's per capita water use rate shall be monitored via the Annual
 1691 Report that is required to be submitted by April 1 of each year for the term of
 1692 the permit. Permittees within the CFWI may use the "Public Supply Annual
 1693 Report," referred to in Section 2.7.3.1 of the CFWI Supplemental Applicant's
 1694 Handbook as Design Aid 3, to assist with properly documenting the
 1695 information that must be included in the Annual Report. At a minimum, the
 1696 Annual Report must contain the following information:
 - 1697 i. Calculation of the Compliance Per Capita Water Use Rate pursuant to
 1698 Section 2.7.3. All components of the Compliance Per Capita Water
 1699 Use Rate equation are subject to the requirements set forth in Section
 1700 2.7.3.1(A) of the CFWI Supplemental Applicant's Handbook.
 - 1701 ii. Documentation of each component of the Compliance Per Capita
 1702 Water Use Rate equation, as applicable, pursuant to Section 2.7.3.1(A)
 1703 of the CFWI Supplemental Applicant's Handbook.
 - 1704 iii. A service area map or file showing the current utility service area. Any
 1705 changes to the utility service area relative to the existing boundaries in
 1706 the District's Geographic Information System (GIS) layer must be
 1707 identified and documented.
 - 1708 iv. Residential water use, which consists of the indoor and outdoor water
 1709 uses associated with each category of residential customer (single
 1710 family units, multi-family units, and mobile homes), including

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- 1711 irrigation uses, whether separately metered or not. The Permittee shall
 1712 document the methodology used to determine the number of dwelling
 1713 units by type and the quantities used. Estimates of water use based
 1714 upon meter size will not be accepted. If mobile homes are included in
 1715 the Permittees multi-family unit category, the information for them
 1716 does not have to be separated. The information for each category shall
 1717 include:
- 1718 a) Number of dwelling units per category;
 - 1719 b) Number of domestic metered connections per category;
 - 1720 c) Number of metered irrigation connections;
 - 1721 d) Annual average quantities in gallons per day provided to each
 1722 category; and
 - 1723 e) Percentage of the total residential water use provided apportioned
 1724 to each category.
- 1725 v. Non-residential water use, which consists of all quantities provided for
 1726 use in a community not directly associated with places of residence.
 1727 For each category below, the Permittee shall include annual average
 1728 gpd provided, the percent of total non-residential use quantities
 1729 provided, and the number of metered connections:
- 1730 a) Industrial/commercial uses, including those associated lawn and
 1731 landscape irrigation use;
 - 1732 b) Agricultural uses (e.g., irrigation of a nursery);
 - 1733 c) Recreation/Aesthetic, including irrigation (excluding golf courses)
 1734 of common areas, stadiums, and school yards;
 - 1735 d) Golf course irrigation;
 - 1736 e) Firefighting, system testing and other accounted uses;
 - 1737 f) K-through-12 schools that do not serve any of the service area
 1738 population; and
 - 1739 g) Water loss, defined as the difference between the output from
 1740 the treatment plant and accounted residential water use (iv above)
 1741 and the listed non-residential uses in this section.
- 1742 vi. A water audit report, if water losses are greater than 10% of the total
 1743 distribution quantities. The water audit shall include:
- 1744 a) Evaluation of:
 - 1745 (1) leakage associated with transmission and distribution
 1746 mains;
 - 1747 (2) overflow and leakage from storage tanks;
 - 1748 (3) leakage near service connections;
 - 1749 (4) illegal connections;
 - 1750 (5) description and explanations for excessive distribution
 1751 line flushing (greater than 1% of the treated water volume
 1752 delivered to the distribution system) for potability;
 - 1753 (6) fire suppression;
 - 1754 (7) un-metered system testing;
 - 1755 (8) under-registration of meter; and

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- 1756 (9) other discrepancies between the metered amount of
 1757 finished water output from the treatment plant less the
 1758 metered amounts used for residential and non-residential uses
 1759 specified in Parts 4 and 5 above, and
 1760 b) A schedule for a remedial action-plan to reduce water losses
 1761 below 10%.
- 1762 vii. If the Permittee cannot achieve a per capita water use rate of 100 gpd
 1763 according to the time frames included in Section 2.7.3.1.C, the Annual
 1764 Report shall include an explanation detailing why the per capita water
 1765 use rate was not achieved, measures taken to comply with the per
 1766 capita water use rate of 100 gpd, and a plan that identifies conservation
 1767 or water supply project(s) that will be developed and implemented to
 1768 achieve the per capita water use rate of 100 gpd.
- 1769
- 1770 3. In addition to the Annual Report required by Section 2.7.3.1 of the CFWI
 1771 Supplemental Applicant's Handbook, Permittees in the Southern Water Use
 1772 Caution Area and the Dover/Plant City Water Use Caution Area shall submit
 1773 Parts D through E of the "Public Supply Annual Report For Individual
 1774 Permits Over 100,000 GPD Annual Average Quantities Form" (Form No.
 1775 LEG-R.103.00 (5/14)), and all required attachments, including the Public
 1776 Supply Service Area General Information Form, by April 1 of each year.
 1777
 1778

July 15, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #7

SUBJECT

Action Item - Resolution 20-02 - Final Combined Projects Phase 1 - FY 20-21 Budget

DESCRIPTION

Katie Gierok, Senior Project Manager with Wright-Pierce (Team One), will present the Combined Projects Phase 1 budget for FY21 for consideration and approval by the PRWC Project Board.

RECOMMENDATION

Recommend approval

FISCAL IMPACT

N/A

CONTACT INFORMATION

Katie Gierok
Senior Project Manager
Wright-Pierce
Kathleen.gierok@wright-pierce.com

Gene Heath
Project Administrator
PRWC
GeneHeath@PRWCwater.org

POLK REGIONAL WATER COOPERATIVE

Resolution 2020-02

**RESOLUTION APPROVING WATER PROJECT COSTS PORTION
OF THE FINAL BUDGET FOR FY 2021**

The Polk Regional Water Cooperative (“Cooperative”), created pursuant to Section 373.713, Florida Statutes, and Interlocal Agreement pursuant to Section 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Interlocal Agreement Creating the Cooperative entered into on June 1, 2016 (“Interlocal Agreement”) provides that:

The Cooperative shall prepare and submit reports, budgets and audits as provided in Sections 189.08, 189.015, 189.016, and 218.39, Florida Statutes. The Cooperative’s budget shall contain separate cost centers for Administrative Expenses and Water Project Costs. Water Project Costs may be consolidated into one Approved Water Project Cost center, groups of Approved Water Project Cost centers or into separate Approved Water Project Cost centers. The Board of Directors shall provide each Member Government with a notice of the Cooperative’s intention to adopt the budget along with a copy of the tentative budget no later than thirty days prior to the budget hearing. The Board of Directors shall approve the Administrative Expense portion of the budget by a majority vote of the Quorum using the Normal Vote Method, except that any decision to approve total Member Government annual contributions in excess of two hundred thousand (\$200,000) dollars shall be by seventy-five (75%) percent vote of the Quorum using the Weighted Vote Method. The Water Project Cost portion of the budget shall be approved by the Project Board(s) by a majority vote of the Quorum using the Weighted Vote Method. If the Water Project Cost portion of the budget is presented as one Approved Water Project cost center, then it must be approved by all project Boards. If the Water Project Cost portion of the budget is presented as separate cost centers representing one or more Approved Water Projects, then each separate cost center must be approved by the Project Board(s) associated with each Approved Water Project. The Cooperative’s duly adopted final budget shall be transmitted to or filed annually with the clerk or other similar official for each Member Government.

WHEREAS, the Cooperative’s Final Budget for FY 2021 is comprised of Administrative Expenses and Water Project Costs;

WHEREAS, the Interlocal Agreement provides for approval of the Administrative Expenses portion of the budget by the Cooperative Board of Directors, and approval of Water Project Costs portion of the budget by the Project Board;

WHEREAS, the Project Board reviewed the Tentative Budget for FY 2021, including Water Project Costs, at their regularly scheduled meeting on May 20, 2020;

WHEREAS, each Member Government was provided written notice of the Cooperative’s intention to adopt the Final Budget for FY 2021, along with a copy of the Tentative Budget for FY 2021, including Administrative Expenses and Water Project Costs, prior to the Project Board’s regularly scheduled meeting on July 15, 2020;

WHEREAS, the Project Board conducted a public hearing on the Water Project Costs portion of the Final Budget for FY 2021 on July 15, 2020 setting forth the Water Project Costs, not including Administrative Expenses; and

WHEREAS, the Project Board approved the Water Project Costs portion of the Final Budget for FY 2021 at their regularly scheduled meeting on July 15, 2020 in accordance with the vote method specified in the Interlocal Agreement.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Cooperative Project Board does hereby approve the Water Project Costs portion of the Final Budget for FY 2021 attached hereto as Exhibit A.

DONE at Auburndale, Florida this 15th day of July, 2020

Project Board of the Polk Regional Water Cooperative:

Mayor Timothy Pospichal
Chair

Ryan J. Taylor
Executive Director

Approved as to Form:

Edward P. de la Parte
Legal Counsel

Phase 1 Combined Projects' Funding and Budget



Summary of Revised Phase 1 Costs by Project

Project	Original Costs*	Apr 2019 Revised Costs
Phase 1 Estimated Costs	\$23,000,000	\$23,000,000
Peace Creek Integrated Water Supply	1,900,000	1,980,250
West Polk LFA Deep Wells	9,300,000	8,940,734
Southeast Wellfield	11,800,000	11,117,910
Peace River and Land Use Transitions	-	961,100

Attachment: PRWCJuly2020 BOD_Fund_Budg (7496 : Action Item - Resolution 20-02 -

* Does not include the cost of financing

Phase 1 Combined Projects Funding Allocations

Fiscal Year	SWFWMD			Line of Credit		Self Funding		SRF	
	Reserved Funds (\$M)	Encumbered Funds (\$M)	Applied (\$M)	Approved Funds (\$M)	Applied ² (\$M)	On Hand (\$M)	Applied (\$M)	Approved Funds (\$M)	Applied (\$M)
2015	10								
2016	20								
2017	30	11.5		6.0	0.08	1.54			
2018	40	11.5	1.57	6.0	0.09	1.32	0.21	10.6	1.36
2019	45	11.5	3.32	6.0	0.11	0.90	0.44	10.6	2.85
2020	50	11.5	1.72	6.0	1.06	0.45	0.26	10.6	1.46
2021	55	11.5							
2022	60	11.5							
2023	65	11.5							

1. All values as of March 2020
2. \$110,000 cost of availability of money to be borne by non-self funding parties



Phase 1 Combined Projects' Budget vs. Expenditures

G.7.b

Budgets/Expenditures by Fiscal Year (PRWC Portion)

Fiscal Year	Estimated Annual Obligation Budget (\$M)	Actual Expenditures (\$M)
FY 2018	2.40	1.57 ¹
FY 2019	4.78	3.32 ¹
FY 2020	3.58	1.72 ²
FY 2021	2.97 ³	
Total Expenditures to Date		\$6,598,894.52
Total Project Budget		11,500,000

Attachment: PRWCJuly2020 BOD_Fund_Budg (7496 : Action Item - Resolution 20-02 -

1. Reflects actual Projects' expenditures and total spent for entire FY.
2. Budget reflects projected expenditures based on actual Projects' expenditures for year-to-date as of 3/31/2020. FY2020 ends 9/30/2020
3. Budget includes only Phase 1 Combined Projects and may be adjusted for Phase 2 as it is implemented.

Phase 1 Combined Projects' Budget vs. Expenditures

Budgets/Expenditures by Fiscal Year (PRWC Portion)

Fiscal Year	Estimated Annual Obligation Budget (\$M)	Actual Expenditures (\$M)
FY 2018	2.40	1.57 ¹
FY 2019	4.78	3.32 ¹
FY 2020	3.58	1.72 ²
FY 2021	2.97 ³	
Total Expenditures to Date		\$6,598,894.52
Total Project Budget		11,500,000

Attachment: PRWC July 2020 BOD Fund Budg (7496 : Action Item - Resolution 20-02 -

1. Reflects actual Projects' expenditures and total spent for entire FY.
 2. Budget reflects projected expenditures based on actual Projects' expenditures for year-to-date as of 3/31/2020. FY2020 ends 9/30/2020
 3. Budget includes only Phase 1 Combined Projects and may be adjusted for Phase 2 as it is implemented.

Phase 1 Combined Projects Funding and Budget

G.7.b

Questions?

Attachment: PRWCJuly2020 BOD_Fund_Budg (7496 : Action Item - Resolution 20-02 -



July 15, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #8

SUBJECT

Action Item - Project Administrator Selection

DESCRIPTION

In May 2017, the Board of Directors (BOD) approved Mr. Gene Heath as the Combined Projects Administrator and Projects Manager to serve until a replacement was selected. In May 2018, the BOD approved the use of the City of Lakeland's procurement policy to publish a Request for Qualifications (RFQ) to competitively seek an individual or company to serve as the Cooperative's Phase 1 Project Administrator.

In September 2018, the BOD approved the Selection Committee's recommendation and approved a contract with Mr. Heath (Heath Management & Engineering, Inc.) as the Combined Project Administrator for the Combined Projects Administrator for the Combined Projects Implementation Agreement Scope.

In November 2019, it was announced that Mr. Heath was desirous of retiring. Once again, the City of Lakeland agreed to assist the PRWC and provide procurement services related to a RFQ for a Project Administrator. On April 28, 2020, RFQ No. 0140 – Projects Administrator (CCNA) was published with submissions being due by 2:00pm on May 19, 2020.

The selection committee, comprised of the PRWC Executive Director, the PRWC Legal Advisor and the Deputy City Manager of the City of Haines City reviewed the proposals and ranked the firms for consideration by the PRWC project board.

The selection committee met on Wednesday, July 8, 2020 to conclude the evaluation of the firms proposing responses to the RFP. The Committee's ranking is as follows:

1. Caragh Group (Tallahassee, FL)
2. CES Consultants, Inc. (Tampa, FL)

A Notice of Intended Decision was posted on July 9, 2020 and at the time of this agenda publication, the protest period had not expired.

Staff is presenting the Selection Committee's recommendation to the Project Board to select the Caragh Group to begin negotiating a contract with will be brought back to the Board for final approval.

RECOMMENDATION

Staff recommends approval of the Selection Committee's recommendation of Caragh Group and begin negotiations.

FISCAL IMPACT

Funds are budgeted in the Combined Projects Project Budget.



RISK MANAGEMENT & PURCHASING
1140 EAST PARKER STREET
LAKELAND, FL 33801

NOTIFICATION OF INTENT TO AWARD

July 9, 2020

Reference: Sealed RFQ No. 0140

Titled: Projects Administrator (CCNA) for the Polk Regional Water Cooperative

To whom it may concern:

The following companies have been shortlisted, in ranking order. The PRWC Negotiation Team will begin contract negotiations with the top ranked firm:

1. Caragh Group LLC
2. CES Consultants Inc

The City of Lakeland and the PRWC would like to thank you for the time and effort that you expended by being involved with our Request for Qualifications process.

Sincerely,

Tara T. Walls

Tara T. Walls, CPPB
Senior Purchasing Agent

TTW/tw

Cc: Tom Mattiacci
File

Attachment: PRWC Notice of Intent Project Admin 070920 (7531 : Action Item - Project Administrator Selection)