



**AGENDA
POLK REGIONAL WATER COOPERATIVE**

September 16, 2020 – 2:00 PM
Lake Myrtle Sports Complex
2701 Lake Myrtle Park Road
Auburndale, FL 33823

ZOOM Virtual Meeting
<https://us02web.zoom.us/j/82410024552?pwd=QVMwUEVIQmVlWlIQVDJHekJnVjNjYz09>
Call In: +1 (646)558-8656
Meeting ID: 824 1002 4552
Password: 171813

- 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. FY 2021 - Accounting Services - Clifton Larson Allen
 - 3. PRWC Capital Asset Policy
 - 4. Financial Report - Activities ending July 31, 2020
- F. Regular BOD
 - 5. Action Item - FDEP CFWI Rulemaking – Authorization to Submit Comments
 - 6. Action Item - Election of Regular BOD Officers for FY 2021

RECESS REGULAR BOD/COMMENCE PROJECTS BOD:

- G. Projects BOD
 - 7. Action Item - Election of Projects BOD Officers for FY 2021
 - 8. Mediator/Facilitator Progress Update
 - 9. Demand Management Plan Results and Next Steps
 - 10. Action Item - Project Administrator Contract and Agreement
 - 11. Combined Projects Update

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.

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #1

SUBJECT

Board of Directors Meeting Minutes

DESCRIPTION

The Board of Directors (BOD) will consider approval of the minutes for:

- Regular PRWC BOD meeting – July 15, 2020
- Special PRWC BOD meeting – July 29, 2020

RECOMMENDATION

Consent Agenda - Recommend approval of minutes for referenced meetings.

FISCAL IMPACT

N/A



MINUTES 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

Member Governments in Attendance:

Member Government	Representative
City of Auburndale	Mayor Tim Pospichal, Primary (Chair)
City of Bartow	Commissioner Bill Simpson, Primary
City of Davenport	Commissioner Tom Fellows, Primary
City of Dundee	In Absence, Commissioner Bert Goddard, Primary
City of Eagle Lake	In Absence, Commissioner Randy Billings, Primary
City of Fort Meade	Mayor James Watts, Primary
City of Frostproof	In Absence, Vice Mayor Jon Albert, Primary
City of Haines City	Mayor Morris West, Primary
City of Lake Alfred	Commissioner Charles Lake, Primary
Town of Lake Hamilton	Mayor Mike Kehoe, Primary
City of Lake Wales	Mayor Eugene Fultz, Primary (Vice Chair)
City of Lakeland	Mayor Bill Mutz, Primary
City of Mulberry	Commissioner Neil Devine, Alternate
City of Polk City	Mayor Joe LaCascia, Primary
Polk County	Commissioner George Lindsey, Primary (Treasurer)
City of Winter Haven	Mayor Pro-Tem Nathaniel Birdsong, Primary

A. Call to Order

Meeting called to order by Chairman Pospichal at 2:00 PM and guidelines provided for the virtual and live meeting format.

B. Recognition of new primary/alternate appointees of members

C. Agenda Revisions

Director Taylor requested consideration to remove F5 as well as G7 from the agenda. There are technical points that need to be clarified. Formation agreement states this needs to be approved by August. A special meeting has been scheduled for July 29th for the Facilitator selection and suggest to the Board to move those items to that meeting.

Director Taylor stated that DEP staff have a narrow window of time to make their presentation and requested the Board to approve a hard start at 2:30 and a hard stop at 3:30.

Motion by Commissioner Lindsey, seconded by Commissioner Lake to remove F5 and G7 for future consideration at the July 29th special meeting. Motion approved unanimously.

D. Public Comments

No public comments were presented.

E. Consent Items:

1. Board of Directors May 20, 2020 Meeting Minutes
2. CFWI Water Conservation Grant Funding Application
3. Financial Report – Activities ending April 30, 2020

Motion made and seconded to approve the consent agenda as presented. Motion approved unanimously.

F. Regular BOD

4. Action Item – Accept Independent Auditor’s Report for FY 2019

Mr. Mike Brynjulfson, Brynjulfson CPA presented the Executive Summary of Independent Audit results for Fiscal Year ending September 30, 2018.

Motion made by Commissioner Lindsey and seconded by Mayor Mutz to approve the Independent Auditor’s Report for FY 2019 as presented. Motion approved unanimously.

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

Removed from agenda and moved to special meeting on July 29, 2020.

6. Information Item – Central Florida Water Initiative (CFWI) Update – Presentations by FDEP and SWFWMD

Director Taylor provided a background description of the CFWI and recent letters and draft rules presented by the SWFWMD and FDEP respectively.

Presentation provided by Christina Coger from FDEP regarding the Central Florida Water Initiative Rule Development with intro from Adam Blalock, FDEP Deputy Secretary for Ecosystems Restoration.

Multiple questions were asked from Board members and PRWC staff to FDEP staff, including:

- If a reduction in permits to 2025 levels provides restoration to areas where harm has already occurred?
 - Mr. Blalock stated that the identification of 2025 comes from regional modeling showing that the sustainable withdrawals from the Upper Floridan aquifer without causing additional harm are equivalent to the projected 2025 demand.
- An urgency to reduce permits was not heard in the presentation by FDEP staff.
 - Ms. Coger stated permits will be immediately modified and reduced to the 2025 projected demand.

Joseph Quinn, Senior Project Manager, Southwest Florida Water Management District (SWFWMD) provided a presentation of the 2020 CFWI Regional Water Supply Plan.

Jeanette Seacrest, Department Director, SWFWMD, provided a description and summary of the letter from Brian Armstrong, SWFWMD Executive Director, to the PRWC.

Mr. Heath stated the issue is what is a timely manner to resolve our issues [Phase 2A Agreement Consensus] in the mind of the District.

Ms. Seacrest stated there is a resolution with timelines for the projects. West Polk and SE Wellfield are on schedule.

Mr. Heath asked what happens if we miss our schedule.

Ms. Seacrest stated that it is at the Governing Board's discretion to not allocate funding in the budget if milestones are missed.

Commissioner Lindsey asked if the circumstance of missing a milestone allows the opportunity to modify the agreement.

Ms. Seacrest stated that there is an opportunity, but it is at the discretion of the Board and does not want to speak for the Board.

Mr. Heath stated that Ms. Seacrest spoke of the 65 million dollars under resolution for near term by SWFWMD, but the District has also worked future funding into their budgets programed moving forward.

Ms. Seacrest stated that at the May governing board meeting, the governing board moved to provide funding for the SE wellfield project for the FY 21 budget.

Mayor LaCascia stated that does not change the question. In the general contractual matter, if all the terms are not met, there is usually an opportunity to make changes in the contract,

Mr. Heath stated that people change, and the Board Members on SWFWMD change and decisions can change on you. Moving forward the Board needs to anticipate that the status quo changes and the money changes with time. There is a lot of money and complexities with the identified projects.

Commissioner Lindsey stated that if parties agree to a mutual scope and commitment, and things change, then the parties can mutually modify and go forward.

Commissioner Lindsey stated he was disappointed in what was heard from FDEP. He expected there to be more teeth. It seems their role is to make sure the Districts have the same process.

Mr. Robert Beltran presented a summary of potential impacts of the draft rules on the member government permits.

Mr. de la Parte stated that he thinks the Board was left with the impression that the rule was bureaucratic and did not have teeth. But once the rule goes into effect all the permits will be reduced at that time.

Commissioner Lindsey stated that any growth above the 2025 demands will have to be made up from AWS. That gun to the head was certainly absent from the presentation heard an hour ago.

Mr. Beltran stated the reason that DEP is taking the lead is because this rule governs all three water management districts.

Mr. de la Parte stated these numbers represent the maximum, but the DEP will be looking to see if the permits have impacts to MFLs or wetlands and might decide the quantities are too high.

Chair Pospichal stated DEP is calling the shots and the WMDs have to comply.

Ed stated the planning effort we have undertaken is higher, so the good news is that the reduction proposed by DEP is not greater than what has been planned for by the PRWC.

Director Taylor stated we had a 15 minute snapshot of approximately a 1 hr presentation at the workshop. Please review further. There is another webinar on August 12.

Mayor Kehoe asked if this includes agricultural.

Ed stated those agricultural permits located in the Southwest and St. John's River District are held to a 2 in 10 year drought, the South Florida District holds agricultural permits to a 1 in 10 year drought. The proposed draft rules require permitting to a 2 in 10 year drought.

Mayor Kehoe stated in the past the majority of water usage is agriculture. Why are we being penalized when not the majority of water usage?

Mr. de la Parte stated the response to that question would likely be that it is difficult to limit the agricultural permits because it is difficult to determine if any given year will be a drought or average rainfall year.

Commissioner Lindsey asked if there is anything in rulemaking that when an agricultural permit is taken out of production, that its capacity could be assigned to the municipality that is now providing service to that property.

Mr. de la Parte stated yes and the PRWC is looking at that with the Peace River project in terms of Land Use Transitions.

Mayor Kehoe stated that as the population from Orlando heads further southwest, Lake Hamilton expects to build 2,000 homes in the next 5 years and this will limit the development of the town and its ability to expand the tax base.

Recess Regular Board of Directors / Commence Projects Board of Directors at 3:51 P.M.

G. Projects BOD

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

Removed from agenda and moved to special meeting on July 29, 2020.

8. Action Item – Project Administrator Selection

Mr. Tom Mattiacci, City of Lakeland, presented a brief summary of the Project Administrator Selection process and the Selection Committee's recommendation to the Project Board to select the Caragh Group to begin negotiating a contract, which will be brought back to the Board for final approval.

Motion made by Commissioner Lindsey and seconded by Mayor Kehoe to approve the Selection Committee's recommendation and ranking, and begin competitive negotiations. Motion approved unanimously.

Director Taylor stated to the Board that the negotiated contract will come before the Board for final approval.

Recess Projects Board of Directors/Commence Regular Board of Directors at 4:00 P.M.

H. Open Discussion

Mayor LaCascia requested an update regarding the selection of a Facilitator.

Director Taylor stated that at the May meeting PRWC staff was authorized to work with the City of Winter Haven to begin the Request for Qualifications process to find a facilitator/mediator. Winter Haven has received 4 responses that have been forwarded to the selection committee members to evaluate and determine if interviews are necessary.

Mayor LaCascia asked if he is correct that we continue using the term mediator/facilitator and stated the original formation agreement did not mention a facilitator.

Commissioner Lindsey stated it was his mistake at the last meeting by being less confrontational.

Mayor LaCascia stated that is the clarification he was looking for.

Director Taylor stated the mediator mentioned in the formation agreement is for any issues with that formation contract. What the PRWC is trying to attempt is to facilitate a future agreement.

Mr. de la Parte stated the request for proposal asked for qualifications that would meet the requirements of a mediator; the selected party will be qualified to conduct mediation. Once the selection is made and a contract has been signed, the Board can decide if they want to pursue the process as a formal mediation under Chapter 44, or whether they want to pursue the process of a more open facilitation. That will be up to the Board to decide.

I. Chair / Executive Director Report

Chair Pospichal stated we are at a critical time and recommends that all members go back and talk to their City Managers and Utility Directors and talk to them to understand the potential impacts of the draft CFWI Rules.

Director Taylor stated he would be sending out the Heartland Headwaters application for projects for the next legislative session. As found out towards the end of June, funding that had been approved by the legislature was vetoed. Director Taylor will be looking for submissions by Sept. 1st so a draft report will be made available to the Board at the November PRWC Board meeting for approval prior to sending to Tallahassee as required by the Heartland Headwaters Act.

Director Taylor stated that earlier this year, the PRWC Board approved PRWC staff sending invoices for the \$100,000 WIFIA loan application fee. The payments have been received in full, but is being held for submittal to see how the Board will be moving forward and more clarification is provided through the facilitation/mediation process.

Mr. de la Parte stated upon selection of the facilitator/mediator, additional special meetings may be necessary.

J. Adjournment

Board meeting adjourned by Chairman Pospichal at 4:09 P.M.

Next meeting September 16, 2020

Special meeting on July 29, 2020



**MINUTES
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Meeting ID: 894 2487 8777
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City of Davenport	Commissioner Tom Fellows, Primary
City of Dundee	In Absence - Commissioner Bert Goddard, Primary
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City of Lake Alfred	In Absence - Commissioner Charles Lake, Primary
Town of Lake Hamilton	Mayor Mike Kehoe, Primary
City of Lake Wales	Mayor Eugene Fultz, Primary (Vice Chair)
City of Lakeland	Mayor Bill Mutz, Primary
City of Mulberry	In Absence - Vice Mayor Collins Smith, Primary
City of Polk City	In Absence - Mayor Joe LaCascia, Primary
Polk County	Commissioner George Lindsey, Primary (Treasurer)
City of Winter Haven	Mayor Pro-Tem Nathaniel Birdsong, Primary

Attachment: PRWC-Minutes-07-29-20 (002) (7827 : Board of Directors Meeting Minutes)

A. Call to Order

Meeting called to order by Chairman Pospichal at 2:00 PM and guidelines provided for the virtual and live meeting format.

B. Agenda Revisions

No revisions of the agenda presented.

C. Public Comments

No public comments were presented.

D. Regular BOD

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

Director Taylor presented the final budget for Fiscal Year 2020 – 2021 of the Polk Regional Water Cooperative for the Board’s consideration and approval memorialized in Resolution 20-01.

Motion made by Commissioner Fellows and seconded by Mayor Kehoe to approve Resolution 20-01.

Mayor Simpson asked if we have an update on the current year’s budget.

Director Taylor stated that included in the July Board of Directors Agenda was a financial report through the end of April of this year and another report is expected for the next Directors meeting.

Mayor Simpson just wanted to make sure we are staying on budget.

Director Taylor said he would follow up with the Board.

Motion passed unanimously

2. Action Item – FDEP CFWI Rulemaking – Authorization to Submit Comments

Mr. de la Parte provided a brief history on the Central Florida Water Initiative Rule draft rules and potential impact to PRWC members.

Commissioner Lindsey asked Mr. de la Parte how we would get unanimous consensus on the response to DEP in this short time.

Mr. de la Parte stated he would work with the Utility Directors, Managers, and attorneys to come up with a consensus document and if there were any items that they could come to consensus on would not be included in the response letter for the Cooperative.

Motion made by Commissioner Simpson and seconded by Mayor Fultz to authorize staff to work with the Member Governments to submit written comments on behalf of the Cooperative to FDEP concerning the draft rules. Motion approved unanimously.

Recess Regular Board of Directors / Commence Projects Board of Directors at 2:12 P.M.

E. Projects BOD

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

Ms. Katie Gierok, Team One, presented the Combined Projects Phase 1 budget for FY21 for consideration and approval by the PRWC Project Board.

Mr. Heath stated we are just in the process of facilitating the 2.4 million grant from DEP that is not included in this budget, but is being tracked and will be in next year's budget.

Director Taylor stated staff is recommending approval of Resolution 20-02.

Motion made by Commissioner Simpson and seconded by Mayor Fultz to approve the Final Combined Projects Phase 1 – FY 20-21. Motion approved unanimously.

4. Action Item – Phase 2A Facilitator Selection

Director Taylor provided a brief history and narrative of the Phase 2A Facilitator Selection process and selection committee's recommendation.

Motion made by Commissioner Lindsey and seconded by Mayor Pro-Tem Birdsong to approve the ranking by the Selection Committee, authorize staff to commence contract negotiations based on the approved ranking, and authorize the Project Line of Credit to pay for the services of the Facilitator/Mediator until their work is concluded. At the conclusion, the members will be assessed in accordance with Table 1 of the Combined Projects Implementation Agreement to pay for the expense. Motion approved unanimously.

Mr. de la Parte recommended to speed the process along, that since a letter agreement was included in the proposals, the Board may want to authorize the Chair to approve and sign the final letter agreement.

Motion made by Mayor Mutz and seconded by Commissioner Lindsey to authorize the PRWC Executive Director to sign the final letter agreement with the selected Facilitator/Mediator. Approved unanimously.

Recess Projects Board of Directors/ Commence Regular Board of Directors at 2:24 P.M.

F. Open Discussion

No open discussion was presented.

G. Chair / Executive Director Report

Chair Pospichal reminded the Board of the second FDEP workshop on August 12 regarding the draft CFWI Rule.

H. Adjournment

Board meeting adjourned by Chairman Pospichal at 2:25 P.M.

Next meeting September 16, 2020

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #2

SUBJECT

FY 2021 - Accounting Services - Clifton Larson Allen

DESCRIPTION

On August 15, 2016, the Polk Regional Water Cooperative (PRWC) approved a contract for outside accounting services with Clifton Larson Allen (CLA) for FY 2016 and FY 2017. The PRWC has since approved the extension of the accounting services contract for FY 2018, FY 2019 and FY 2020.

Presented for the Board's consideration is another Master Services Agreement (MSA) and Statement of Work (SOW) for account services for the year ended September 30, 2021 (FY 2021).

CLA will continue to provide ongoing normal accounting services such as accounting functions and cash access services as well as compilation services like bi-monthly financial statements.

The fee for ongoing normal accounting services will be \$24,720.00 fixed fee per year plus out of pocket expenses. This fee is the same amount as last year's SOW. Included in this SOW is a technology and client support fee of five percent (5%) of all professional fees billed. At a minimum, the FY 2021 SOW fee would be \$25,956.00 plus out of pocket expenses. The fixed fee includes unlimited meetings and phone calls to discuss operations, business matters, and accounting matters of the PRWC. Out of pocket expenses would be in addition to the fixed fee and would include expenses such as out-of-town travel, meals, and lodging.

The approved FY 2021 PRWC Budget provides appropriations of \$26,000 for this CLA – SOW.

RECOMMENDATION

Consent Agenda – Recommend approval of the Master Services Agreement and Statement of Work with Clifton Larson Allen for professional accounting services for Fiscal Year 2021 (September 30, 2021).

FISCAL IMPACT

\$25,956.00 fixed fee plus out of pocket expenses (FY 2021 PRWC Budget provides \$26,000)



CliftonLarsonAllen LLP
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 Lakeland, FL 33801-5354
 863-680-5600 | Fax 863-680-5650
 CLAconnect.com

September 1, 2020

Board of Directors and Management
 Polk Regional Water Cooperative
 PO Box 9005
 Bartow, FL 33831

Dear Mr. Taylor and Mr. Pospichal:

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for Polk Regional Water Cooperative (“you,” “your,” or “the entity”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

Scope of professional services

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal control as part of any services.

Management responsibilities

Management acknowledges and understands that our role is to provide the services identified in an SOW and that management has responsibilities that are fundamental to our undertaking to perform the identified services.

Responsibilities and limitations related to nonattest services

For all nonattest services we may provide to you, your management agrees to assume all management responsibilities; oversee the services; evaluate the adequacy and results of the services; ensure that your data and records are complete; and accept responsibility for the results of the services.

Fees and terms

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA’s electronic payment platform, or any other client initiated payment method approved by CLA. CLA’s electronic online bill pay platform claconnect.com/billpay accepts credit card and Automated Clearing House (ACH) payments. Instructions for making direct bank to bank wire transfers or ACH payments will be provided upon request.

Other fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

Mediation

These mediation provisions are applicable to any audit, examination, or agreed-upon procedures services provided to you. Such provisions are also applicable to forecast or projection services and buy-side due diligence consulting services.

Any disagreement, controversy, or claim (“Dispute”) that may arise out of any aspect of our services or relationship with you shall be submitted to non-binding mediation by written notice (“Mediation Notice”) to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties (i.e., you and CLA). The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Any Dispute will be governed by the laws of the state of Minnesota, without giving effect to choice of law principles.

Attachment: Polk Regional Water Cooperative MSA 09.01.20 (7975 : FY 2021 Accounting Services - Clifton Larson Allen)

Limitation of remedies

These limitation of remedies provisions are not applicable for any audit, examination, or agreed-upon procedures services provided to you.

Our role is strictly limited to the services described in an SOW, and we offer no assurance as to the results or ultimate outcomes of any services or of any decisions that you may make based on our communications with you. You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents (each a “CLA party”) and that this limitation of remedies provision is governed by the laws of the state of Minnesota, without giving effect to choice of law principles.

You further agree that you will not hold CLA or any other CLA party liable for any claim, cost, or damage, whether based on warranty, tort, contract, or other law, arising from or related to this MSA, the services provided under an SOW, the work product, or for any plans, actions, or results of an SOW, except to the extent authorized by this MSA. In no event shall any CLA party be liable to you for any indirect, special, incidental, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by a CLA party of our duties owed under this MSA and the specific SOW thereunder, but any recovery on any such claims shall not exceed the fees actually paid by you to CLA pursuant to the SOW that gives rise to the claim.

Indemnity

You agree to indemnify and hold harmless CLA, its successors and affiliates, officers, employees, and agents from any claims brought or asserted by any other person, third party, or governmental body for any loss, damages, liabilities, remedies, or cause of action, and from any reasonable expenses incurred in defending against any such claims or actions (including attorney fees) arising from or relating to the services performed by any CLA party.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this MSA or the services performed under an SOW, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against any CLA party must be commenced as provided below, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within the shorter of these periods (“Limitation Period”):

Consulting services

- For each service pursuant to an SOW, separately within twelve (12) months after the date we deliver the services or work product pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you under this MSA or other SOW.

Attachment: Polk Regional Water Cooperative MSA 09.01.20 (7975 : FY 2021 Accounting Services - Clifton Larson Allen)

- Within twelve (12) months from the date of our last billing for services performed pursuant to the SOW on which the dispute is based.
- Within twelve (12) months after the termination by either party of either this MSA or the entity’s ongoing relationship with CLA.

Tax services

- For tax return preparation, separately within thirty-six (36) months after the date when we deliver any final tax return(s) pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you under this MSA or other SOW relating to said return(s).
- For tax consulting engagements, separately within thirty-six (36) months from the date of our last billing for services pursuant to the SOW on which the dispute is based.
- For all tax return and tax consulting engagements, within twelve (12) months from the date when you terminate this MSA or the entity’s ongoing relationship with CLA.

Examination, compilation, and preparation services related to prospective financial information

- For examination, compilation, and preparation services related to prospective financial information (i.e., forecasts and projections), separately within twelve (12) months after the dates when we deliver the work product pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you relating to the work product.

Audit, review, examination, agreed-upon procedures, compilation, and preparation services other than those related to prospective financial information

- For audit, review, examination, agreed-upon procedures, compilation, and preparation services, separately within twenty-four (24) months after the dates when we deliver the work product pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you relating to the work product.

The applicable Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

Other provisions

Except as permitted by the “Consent” section of this agreement, CLA will not disclose any confidential, proprietary, or privileged information of the entity to any person or party, unless the entity authorizes us to do so, it is published or released by the entity, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Pursuant to authority given by law or regulation, we may be requested to make certain workpapers available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law.

Attachment: Polk Regional Water Cooperative MSA 09.01.20 (7975 : FY 2021 Accounting Services - Clifton Larson Allen)

Access to the requested workpapers will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

You acknowledge and agree that this agreement and the pricing structure and billing rates of CLA are sensitive information which you shall not furnish or otherwise disclose to any third party without the prior written consent of CLA or as required by law.

We will be responsible for our own property and casualty, general liability, and workers compensation insurance, taxes, professional training, and other personnel costs related to the operation of our business.

When performing the services identified in applicable SOWs, we will utilize the resources available at the entity to the extent practical to continue development of your personnel. During a portion of our work, we may require the use of your computers. We will try to give you advance notice and coordinate our use so it does not interfere with your employees.

The relationship of CLA with the entity shall be solely that of an independent contractor and nothing in this agreement shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

If applicable, accounting standards and procedures will be suggested that are consistent with those normally utilized in an entity of your size and nature. Internal controls may be recommended relating to the safeguarding of the entity's assets. If fraud is initiated by your employees or other service providers, your insurance is responsible for covering any losses.

The entity agrees that CLA will not be assuming any fiduciary responsibility on your behalf during the course of this agreement, except as may be assumed in a SOW.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, it is not appropriate for you to upload protected health information using such applications. All protected health information contained in a document or file that you plan to transmit to us via a web application must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all protected health information, please contact us to discuss other potential options for transmitting the document or file.

Employment provision

You agree that during the term of this agreement and for a period of one year after the expiration or termination date of this agreement, you will not solicit, hire, contract with, or engage the services of any person providing services to you on behalf of CLA without the prior written consent of CLA.

You acknowledge that:

- 1. CLA personnel may be subject to agreements restricting their right to contract with or solicit business from you other than their service through CLA, and

- 2. If you breach this non-solicitation provision, you shall pay \$100,000 for the controller and \$75,000 for the staff to CLA as liquidated damages within two weeks of the date on which the former CLA employee or consultant begins his or her new employment with you.

You acknowledge and agree that CLA’s damages resulting from violation of this section are difficult or impossible to estimate and that the sum stipulated above is a reasonable pre-estimate of the probable loss that CLA would incur based on the cost of replacement, training, lost resources for projects, and other factors and is not a penalty. Liquidated damages under this paragraph shall not limit or impair any other remedies CLA may seek for breach of this paragraph or this MSA.

Subcontractors

CLA may, at times, use subcontractors to perform services under this agreement, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

Technology

CLA may, at times, use third-party software applications to perform services under this agreement. You authorize CLA to sign on your behalf any vendor agreements applicable to such software applications. CLA can provide a copy of the application agreement at your request. You acknowledge the software vendor may have access to your data.

We regularly aggregate anonymized client data and perform a variety of analyses using that aggregated data. Some of these analyses are published to clients or released publicly. However, we are always careful to preserve the confidentiality of the separate information that we obtain from each client, as required by the AICPA Code of Professional Conduct and various laws. Your acceptance of this engagement letter will serve as your consent to our use of Polk Regional Water Cooperative’s anonymized data in performing and reporting on these cost comparison, performance indicator and/or benchmarking analyses.

Termination of MSA

Either party may terminate this MSA at any time by giving 30 days written notice to the other party. In that event, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

Agreement

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

Attachment: Polk Regional Water Cooperative MSA 09.01.20 (7975 : FY 2021 Accounting Services - Clifton Larson Allen)

Sincerely,

CliftonLarsonAllen LLP

Lance Schmidt, CPA, CFE
Principal
863-680-5634
Lance.Schmidt@claconnect.com

Response:

This agreement correctly sets forth the understanding of Polk Regional Water Cooperative.

Ryan Taylor
ryantaylor@prwcwater.org

Tim Pospichal
tpospichal@tampabay.rr.com

Attachment: Polk Regional Water Cooperative MSA 09.01.20 (7975 : FY 2021 Accounting Services - Clifton Larson Allen)



CliftonLarsonAllen LLP
402 South Kentucky Avenue, Suite 600
Lakeland, FL 33801-5354
863-680-5600 | Fax 863-680-5650
CLAconnect.com

Compilation SOW

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Polk Regional Water Cooperative (“you” and “your”) dated September 1, 2020. The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of professional services

Lance Schmidt is responsible for the performance of the compilation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the compilation engagement. Kristen Labbe is responsible for the daily activities of the engagement.

Ongoing normal accounting services:

- Outsourced accounting functions
 - Process accounts payable including the preparation and issuance of checks
 - Prepare billings, record billings, and enter cash receipts
 - Reconcile complex accounts monthly and prepare journal entries
 - Prepare depreciation schedules
 - Analyze financial statements and present to management
 - Report and manage cash flows
- CLA shall be authorized to the following cash access services:
 - Obtain one or more signature stamps bearing the name(s) and facsimile signature(s) of any of your officer(s) who are responsible for signing checks and bank drafts on your behalf.
 - Prepare checks and wire transfers to be drawn upon your bank account(s) and to use the above noted methods to thereby finally approve such checks for payment by the corresponding bank(s).

Compilation services – financial statements

We will prepare the bi-monthly financial statements of Polk Regional Water Cooperative, which comprise the financial statements identified below in accordance with GAAP (financial reporting framework), and perform a compilation engagement with respect to those financial statements.

- Statement of Net Position — GAAP basis
- Statement of Revenues, Expenses, and Changes in Net Position — GAAP basis
- Statement of Cash Flows — GAAP basis
- The following supplemental information:
 - Schedule of Revenue and Expenses – Budget to Actual Admin
 - Schedule of Revenue and Expenses – Projects
 - Schedule of Revenue and Expenses – Conservation Grants

The financial statements will not include the related notes to the financial statements.

The supplementary information accompanying the financial statements, if requested, will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial statements. The information will be subject to the compilation engagement.

Engagement objectives and our responsibilities

The objectives of our engagement are to:

- a. Prepare financial statements in accordance with the financial reporting framework based on information provided by you and information generated through our outsourced accounting services.
- b. Apply accounting and financial reporting expertise to assist you in the presentation of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with the financial reporting framework.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

Engagement procedures and limitations

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. You agree that we shall not be responsible for any misstatements in the entity's financial statements that we may not identify as a result of misrepresentations made to us by you.

Our report

As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. We will disclose that we are not independent in our report.

The report on the monthly financial statements will indicate that management has elected to omit substantially all the disclosures and the statement of cash flows required by the financial reporting framework; that if the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the entity's financial position, results of activities, and cash flows; and that the financial statements are not designed for those who are not informed about such matters.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilations of your financial statements, we will not issue reports on such statements as a result of this engagement.

Management responsibilities

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with the financial reporting framework and assist management in the presentation of the financial statements in accordance with the financial reporting framework.

We are required by professional standards to identify management's responsibilities in this agreement. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a. The selection of the financial reporting framework to be applied in the preparation of the financial statements.
- b. The preparation and fair presentation of the financial statements in accordance with the financial reporting framework.
- c. The presentation of the supplementary information.
- d. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- e. The prevention and detection of fraud.
- f. To ensure that the entity complies with the laws and regulations applicable to its activities.
- g. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- h. To provide us with the following:
 - i. Access to all information relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - ii. Additional information that may be requested for the purpose of the engagement.
 - iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements (items a, b, c, and d).

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

CliftonLarsonAllen LLP

Lance Schmidt, CPA, CFE
Principal
863-680-5634
Lance.Schmidt@claconnect.com

Enclosures

Response:

This letter correctly sets forth the understanding of Polk Regional Water Cooperative.

Accepted:

Ryan Taylor
ryantaylor@prwcwater.org

Tim Pospichal
tpospichal@tampabay.rr.com

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #3

SUBJECT

PRWC Capital Asset Policy

DESCRIPTION

The Polk Regional Water Cooperative (PRWC) Board of Directors (BOD) will consider approval of the Polk Regional Water Cooperative Capital Asset Policy as recommended by Clifton Larson Allen (CLA), the Cooperative's financial services provider.

The PRWC Capital Asset Policy would provide for the safeguarding of capital assets and provide the Cooperative personnel with accounting guidance applicable to the several categories of capital assets for the recording of property pursuant to statutory requirements.

RECOMMENDATION

Consent Agenda – Recommend approval of the PRWC Capital Asset Policy.

FISCAL IMPACT

N/A

POLK REGIONAL WATER COOPERATIVE
CAPITAL ASSET POLICY

PURPOSE:

To provide for the safeguarding of capital assets and to provide Polk Regional Water Cooperative (PRWC) personnel with accounting guidance applicable to the several categories of capital assets.

Statutory Requirements.

Chapter 274, F.S., governs the administration of tangible personal property owned by certain local governments. Section 274.01, F.S., defines “governmental units” for purposes of the requirements as the governing board, commission or authority of a county or taxing district of the State or the sheriff of the county. Section 274.12, F.S. provides “Every special district governed by the provisions of this act shall comply with the provisions of this chapter.” Section 274.02, F.S., defines “property” as fixtures and other tangible personal property of a nonconsumable nature and requires the State’s Chief Financial Officer to establish, by rule, the requirements for the recording of property.

Capital Asset Valuation.

Capital assets should be reported at their historical cost, which can include: (1) all charges to place the asset in its intended location (for example, freight); (2) all charges to place the asset in its intended condition for use (for example, installation or site preparation); and, (3) subsequent additions or improvements that enhances a capital asset’s functionality or extends its expected useful life. Expenditures for repairs are generally not included in historical cost. If historical cost information is not available, estimated historical cost may be used.

Donated capital assets should be reported at their acquisition value on the date the donation is made. Typical donated capital assets include land, buildings, furniture, fixtures, and equipment.

DEFINITION:

Terms relating to the accounting for capital assets are defined in the following paragraphs.

Capital assets are tangible assets of significant value having a useful life that extends beyond one year. The capital assets included in this accounting system are land, buildings, improvements, infrastructure, equipment, leasehold improvements and intangible assets as further defined.

Land.

Land includes the investment, fee simple in real estate other than building and/or improvements.

Buildings.

Buildings include all PRWC owned buildings except those whose condition prevents their serving any present or future useful purpose. Permanently installed fixtures to or within the building, such as lighting fixtures and plumbing are considered a part of the building. The costs of major improvements to a

building, such as additions and renovations, should be capitalized and recorded as a part of the building asset value.

Improvements.

Improvements are physical property of a relatively permanent nature. Examples include storage tanks, parking areas and park facilities.

Infrastructure.

Infrastructure includes capital expenditures relating to roads, curbs and gutters, streets, sidewalks, shoulder safety, drainage systems and lighting systems.

Equipment.

Equipment includes moveable property of a relatively permanent nature and of significant value, such as mobile equipment, office equipment, data processing equipment, machines, tools and office furniture and fixtures. "Relatively permanent" is defined as a useful life span of one year or longer when it is applied to equipment to be inventoried.

PRWC may consistently exercise the option to include other items which it desires to maintain accounting control over. Exceptions to the "significant value" definition and the one-year life rule should be applied consistently.

Intangible Assets.

Intangible assets include software, easements, and right of ways. An intangible asset can only be recognized as an asset if it is identifiable, meaning it can be sold, transferred, licensed, rented, exchanged, or it arises from contractual or other legal rights as per Governmental Account Standards Board.

Leasehold Improvements.

Costs used to increase the service capacity of a leased asset, such as additions, alterations, remodeling, or renovations.

Maintenance.

Maintenance is defined as expenditures that neither materially add to the value of an asset nor appreciably prolong its life. Rather, maintenance keeps an asset in ordinary efficient operating condition. As such, maintenance costs should not be capitalized.

Betterments.

Betterments consist of the replacement of a unit of an existing asset by an improved or superior unit, usually resulting in a more productive, efficient or longer useful life. Significant betterments are considered as capital assets and should be added to the value of the asset that is improved. Replacement of a part of an existing asset by another of like quality is not betterment, even though the useful life is maintained or extended.

Land Costs.

The acquisition cost of land includes all expenditures relating to its procurement, such as:

- Purchase price
- Appraisal and negotiation fees
- Title search fees
- Surveying fees
- Costs of consents
- Building and Other Improvements.
- Payment of damages
- Clearing land for use
- Demolishing or removing structures
- Filing costs

The acquisition cost of buildings, improvements, leasehold improvements and infrastructure includes all expenditures in connection with its procurement, such as:

- Purchase price or construction costs
- Fixtures attached to the structure
- Architect's fees
- Costs of permits and licenses
- Payment of damages
- Insurance costs during construction
- Interest incurred for the purpose of the project – interest on debt

Equipment Costs.

The acquisition cost of equipment includes all expenditures in connection with its procurement, such as:

Purchase price or construction costs, before trade-in allowance, less discounts Freight or other transportation costs, Installation costs

Software Costs.

The acquisition cost of software created by the PRWC itself (internally generated), by a contracting party acting on the government's behalf, or the purchase of "off-the-shelf" software.

General Asset Accounts.

The grouping together of assets that share common characteristics, are placed in service in the same fiscal year, and are depreciated as if they collectively represent one asset.

Examples include library resources and radio read meters.

Statutory Requirements.

State issued laws and rules addressing local government Capital Assets as follows:

- Florida Statutes Chapter 274
- Department of Financial Services Rule 69I-73

Custodian.

The PRWC Executive Director and those persons to whom custody of PRWC owned property has been delegated by the PRWC Executive Director shall be responsible for all assets assigned to the PRWC or that department within the PRWC and will act as custodian of the property. As specified in FS 274.03, each custodian shall be responsible to the governmental unit for the safekeeping and proper use of the property entrusted to his or her care.

PROCEDURE:

Capital Asset Accounting Transaction.

1. Statutory requirements regarding Local Government Owned Tangible Personal Property shall be adhered to.
2. PRWC will create and maintain proper subsidiary ledgers to record capital asset acquisitions, deletions.
3. PRWC will balance the subsidiary ledgers to the general ledger on a regular basis.

Capitalization Threshold.

The following capitalization thresholds have been established.

- Equipment \$5,000
- Land Capitalize all
- Buildings \$5,000
- Improvements \$5,000
- Software \$5,000
- Leasehold Improvements \$5,000

Depreciation.

Depreciation is recorded for capital assets in accordance with Generally Accepted Accounting Principles. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 – 40 Years
Improvements	20 Years
Water/Sewer Lines	50 Years
Infrastructure	
Pavement Management	15 Years
Surface Treatment	5 Years
Culverts	50 Years
Drainage	50 Years
Stormwater	50 Years
Shoulder Safety	50 Years
Intangibles	Per contract
Leasehold Improvements	Lesser of Life of Lease or Improvement
Equipment	5 – 15 Years

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #4

SUBJECT

Financial Report - Activities ending July 31, 2020

Admin

Year-to-date operating expenditures are \$148,950 which leaves \$49,050 remaining in the budget with two months left in the fiscal year. Also included in the admin fund are Demand Management Plan expenses of \$228,145 which 50% has been billed to Southwest Florida Water Management District (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 \$5,880,576. Year-to-date project revenues total \$6,424,933 which consists of \$3,829,514 in grant revenue from the SWFWMD and \$2,595,419 from the State Revolving Fund (SRF). The total-to-date of \$6,077,021 from SRF is recorded as a long-term liability. In addition, a receivable from members of \$6,077,021 is recorded on the balance sheet. In the future, the \$6,077,021 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 \$1,605,455.

Conservation

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

RECOMMENDATION

Consent Agenda - Recommend approval of financial report for activities ended July 31, 2020.

CONTACT INFORMATION

Lance Schmidt, CPA, CFE
Principal - Clifton Larson Allen
Lance.Schmidt@claconnect.com <<mailto:Lance.Schmidt@claconnect.com>>

**POLK REGIONAL WATER COOPERATIVE
EXECUTIVE SUMMARY OF COMPILED FINANCIAL STATEMENTS
TEN MONTHS ENDED JULY 31, 2020**

Admin

Year to date operating expenditures are \$148,950 which leaves \$49,050 remaining in the budget with two months left in the fiscal year. Also included in the admin fund are Demand Management Plan expenses of \$228,145 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 \$5,880,576. Year to date project revenues total \$6,424,933 which consists of \$3,829,514 in grant revenue from the Southwest Florida Water Management District and \$2,595,419 from the State Revolving Fund (SRF). The total to date of \$6,077,021 from SRF is recorded as a long-term liability. In addition, a receivable from members of \$6,077,021 is recorded on the balance sheet. In the future the \$6,077,021 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 \$1,605,455.

Conservation

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

**POLK REGIONAL WATER COOPERATIVE
FINANCIAL STATEMENTS
TEN MONTHS ENDED JULY 31, 2020**



CLAconnect.com

**WEALTH ADVISORY
OUTSOURCING
AUDIT, TAX, AND
CONSULTING**

**POLK REGIONAL WATER COOPERATIVE
TABLE OF CONTENTS
TEN MONTHS ENDED JULY 31, 2020**

ACCOUNTANTS' COMPILATION REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	2
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION – BUDGET TO ACTUAL, THREE MONTHS ENDED JUNE 30, 2017	3
STATEMENT OF CASH FLOWS	4
SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUE AND EXPENSES BUDGET TO ACTUAL – ADMIN	5
HISTORIAL AND FORECASTED FINANCIAL STATEMENTS SELECTED INFORMATION	6
SCHEDULE OF REVENUE AND EXPENSES – PROJECTS	7
SCHEDULE OF REVENUE AND EXPENSES – CONSERVATION GRANTS	8



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 July 31, 2020, and the related statements of revenues, expenses and changes in fund net position and cash flows for the ten months then ended in accordance with accounting principles generally accepted in the United States of America. 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 the management discussion and analysis and substantially all of the disclosures required by accounting principles generally accepted in the United States of America for historical financial statements and the summaries of significant assumptions and accounting policies required under established guidelines for presentation of prospective financial statements. If the omitted disclosures were included in the historical financial statements and the omitted summaries were included in the annual budget information, they might influence the user's conclusions about the Cooperative's financial position, results of operations, cash flows, and budgeted revenues and expenditures. Accordingly, these historical financial statements and the annual budget information are not designed for those who are not informed about such matters.

The supplementary information contained on pages 5-8 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
 September 4, 2020

POLK REGIONAL WATER COOPERATIVE
STATEMENT OF NET POSITION
JULY 31, 2020
(SEE ACCOUNTANTS' COMPILATION REPORT)

CURRENT ASSETS

Cash - Project Funds Account	\$ 779,009
Cash - Wells Fargo Public Funds	149,752
Due from Member	26,024
Projects Receivable	1,869,911
Total Current Assets	<u>2,824,696</u>

NONCURRENT ASSETS

SRF Member Receivable	6,077,021
Land	35,000
Total Noncurrent Assets	<u>6,112,021</u>

Total Assets	<u><u>\$ 8,936,717</u></u>
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CURRENT LIABILITIES

Accounts Payable	\$ 708,246
WIFIA Application Fee Liability	100,000
Total Current Liabilities	<u>808,246</u>

NONCURRENT LIABILITIES

Wells Fargo Loan	1,605,455
SRF Loan	6,077,021
Total Noncurrent Liabilities	<u>7,682,476</u>

Total Liabilities	<u>8,490,722</u>
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NET POSITION

Restricted - Projects	706,543
Unrestricted	<u>(260,548)</u>

Total Net Position	<u>445,995</u>
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Total Liabilities and Net Position	<u><u>\$ 8,936,717</u></u>
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POLK REGIONAL WATER COOPERATIVE
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
TEN MONTHS ENDED JULY 31, 2020
(SEE ACCOUNTANTS' COMPILATION REPORT)

OPERATING REVENUES

Member Funding Revenue	\$ 198,000
Project Grant Revenue	3,829,514
Member Project Funding (State Revolving Fund Reimbursements)	2,595,419
WIFIA Application Fee	100,000
Demand Management Plan Reimbursements	114,072
Florida Waterstar Rebates	18,900
Indoor Conservation	9,588
Outdoor BMP's	6,134
Total Operating Revenue	6,871,627

OPERATING EXPENSE

Project Expense	5,759,032
Demand Management Plan Reimbursements	228,145
WIFIA Application Fee	100,000
Contract Services	66,667
Legal Fees	142,832
Accounting Fees	20,600
Audit Fees	18,275
Conservation Grant Expense	34,622
Other General Expenses	1,781
Total Expense	6,371,954

Operating Income 499,673

NONOPERATING REVENUES (EXPENSES)

Interest Revenue	527
Interest Expense	(20,339)
Total Nonoperating Revenues	(19,812)

CHANGE IN FUND NET POSITION

479,861

Fund Net Position - Beginning of Period

(33,866)

FUND NET POSITION - END OF PERIOD

\$ 445,995

Attachment: Polk Regional Water Cooperative - July 31, 2020 - 10 Month Financial Statements (7828 : Financial Report - Activities ending July

**POLK REGIONAL WATER COOPERATIVE
STATEMENT OF CASH FLOWS
TEN MONTHS ENDED JULY 31, 2020
(SEE ACCOUNTANTS' COMPILATION REPORT)**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Members	\$ 310,149
Receipts from Project Reimbursements	3,026,080
Receipts from Conservation Grants	15,722
Miscellaneous Receipts	114,072
Payments for Goods and Services	<u>(7,168,030)</u>
Net Cash From Operating Activities	<u>(3,702,007)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Net Borrowings on SRF	3,145,419
Net Borrowings on Line of Credit	500,000
Interest Paid	<u>(20,339)</u>
Net Cash From Financing Activities	<u>3,625,080</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Receipts of Interest	<u>527</u>
Net Cash From Investing Activities	<u>527</u>

NET DECREASE IN CASH

(76,400)

Cash - Beginning of Period

1,005,161**CASH - END OF PERIOD**\$ 928,761**RECONCILIATION OF OPERATING INCOME TO
NET CASH FROM OPERATING ACTIVITIES**

Operating Income	\$ 499,673
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities:	
(Increase) Decrease in Assets:	
Due from Members	12,149
Project Receivables	(822,334)
SRF Member Receivable	(2,595,419)
Increase (Decrease) in Liabilities:	
Accounts Payable	<u>(796,076)</u>
Net Cash from Operating Activities	<u><u>\$ (3,702,007)</u></u>

Attachment: Polk Regional Water Cooperative - July 31, 2020 - 10 Month Financial Statements (7828 : Financial Report - Activities ending July

**POLK REGIONAL WATER COOPERATIVE
SCHEDULE OF REVENUE AND EXPENSES
BUDGET TO ACTUAL - ADMIN
TEN MONTHS ENDED JULY 31, 2020**

	Actual	Budget	Amount Over (Under) Budget
REVENUES			
Member Funding Revenue	\$ 198,000	\$ 198,000	\$ -
Demand Management Plan Reimbursements	114,072	-	114,072
WIFIA Application Fee	100,000	-	100,000
Interest Income	527	-	527
Total Revenue	<u>412,599</u>	<u>198,000</u>	<u>214,599</u>
EXPENSES			
Accounting Fees	20,600	24,000	(3,400)
Audit Fees	18,275	15,000	3,275
Legal Fees	41,627	45,000	(3,373)
Contract Services	66,667	80,000	(13,333)
Administrative Assistant	-	5,000	(5,000)
Engineer	-	24,000	(24,000)
Demand Management Plan	228,145	-	228,145
WIFIA Application Fee	100,000	-	100,000
Other General Expenses	1,781	5,000	(3,219)
Total Expense	<u>477,095</u>	<u>198,000</u>	<u>279,095</u>
CHANGE IN NET POSITION	(64,496)	-	(64,496)
Net Position - Beginning of Period	<u>178,131</u>	<u>-</u>	<u>178,131</u>
NET POSITION - END OF PERIOD	<u>\$ 113,635</u>	<u>\$ -</u>	<u>\$ 113,635</u>

Attachment: Polk Regional Water Cooperative - July 31, 2020 - 10 Month Financial Statements (7828 : Financial Report - Activities ending July

**POLK REGIONAL WATER COOPERATIVE
HISTORIAL AND FORECASTED FINANCIAL STATEMENTS
SELECTED INFORMATION
TEN MONTHS ENDED JULY 31, 2020 AND THE YEAR ENDING SEPTEMBER 30, 2020**

These financial forecasts present, to the best of management's knowledge and belief, the Cooperative's expected financial position and results of operations for the forecast periods. Accordingly, the forecasts reflect its judgement as of October 1, 2019 the date of these forecasts, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecasts. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Statement of Revenues and Expenses Assumptions:

- Member Funding Revenue is based on 2015 Annual Average Water Use (MGD) per member government
- Operating expenses were budgeted based upon prior year budgets and actual.
- No additional expenses were added from the prior year.

**POLK REGIONAL WATER COOPERATIVE
SCHEDULE OF REVENUE AND EXPENSES - PROJECTS
TEN MONTHS ENDED JULY 31, 2020**

	<u>SE</u>	<u>WP</u>	<u>PC</u>	<u>PR</u>	<u>Project Admin</u>	<u>Total</u>
REVENUES						
Project Grant Revenue	\$ 2,500,200	\$ 988,110	\$ 194,424	\$ 146,780	\$ -	\$ 3,829,514
Member Project Funding (State Revolving Fund Reimbursements)	<u>1,180,069</u>	<u>1,136,164</u>	<u>183,447</u>	<u>95,739</u>	<u>-</u>	<u>2,595,419</u>
Total Revenue	3,680,269	2,124,274	377,871	242,519	-	6,424,933
EXPENSES						
Project Expense	3,581,630	1,494,993	388,849	293,560	-	5,759,032
Interest Expense	-	-	-	-	20,339	20,339
Legal Fees	-	-	-	-	101,205	101,205
Other General Expenses	-	-	-	-	-	-
Total Expenses	<u>3,581,630</u>	<u>1,494,993</u>	<u>388,849</u>	<u>293,560</u>	<u>121,544</u>	<u>5,880,576</u>
CHANGE TO NET POSITION	98,639	629,281	(10,978)	(51,041)	(121,544)	544,357
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><u>\$ 274,935</u></u>	<u><u>\$ 384,455</u></u>	<u><u>\$ 47,153</u></u>	<u><u>\$ (63,263)</u></u>	<u><u>\$ (310,920)</u></u>	<u><u>\$ 332,360</u></u>

Attachment: Polk Regional Water Cooperative - July 31, 2020 - 10 Month Financial Statements (7828 :

**POLK REGIONAL WATER COOPERATIVE
SCHEDULE OF REVENUE AND EXPENSES – CONSERVATION GRANTS
TEN MONTHS ENDED JULY 31, 2020**

REVENUES

Florida Waterstar Rebates	\$ 18,900
Indoor Conservation	9,588
Outdoor BMP's	6,134
Total Revenue	<u>34,622</u>

EXPENSES

Conservation Grant Expense	<u>34,622</u>
Total Expenses	<u>34,622</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 - July 31, 2020 - 10 Month Financial Statements (7828 : Financial Report - Activities ending July

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #5

SUBJECT

Action Item - FDEP CFWI Rulemaking – Authorization to Submit Comments

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 performed 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.

On July 1 FDEP released a draft of the uniform rules for the CFWI area. A revised version of the CFWI Supplemental Applicant’s Handbook was released on August 14. These rules contain several provisions that may impact existing permitted uses and accelerate the need to develop alternative water supplies. FDEP has held workshops on July 9 and August 12 and scheduled a workshop for September 30. The deadline for comments was pushed back from August 27 to September 24. FDEP hopes to adopt the rule before the end of the year.

At its July 29, 2020 meeting, the PRWC Board of Directors authorized staff to prepare written comments regarding the draft rule on behalf of the PRWC. A set of draft comments were submitted to the Member utility directors and attorneys on August 27 and September 8. Suggestions were received and incorporated in the attached comments.

RECOMMENDATION

Staff requests authorization to submit the attached written comments on behalf of the Cooperative to FDEP concerning the draft rules.

FISCAL IMPACT

This expense is included in the Cooperative Administrative Budget.



Polk Regional
Water Cooperative

Tim Pospichal
Chair
City of Auburndale

Eugene Fultz
Vice Chair
City of Lake Wales

George Lindsey
Secretary/Treasurer
Polk County

William Simpson
City of Bartow

Tom Fellows
City of Davenport

Bert Goddard
Town of Dundee

Randy Billings
City of Eagle Lake

James Watts
City of Fort Meade

Jon Albert
City of Frostproof

Morris West
City of Haines City

Charles Lake
City of Lake Alfred

Michael Kehoe
Town of Lake Hamilton

Bill Mutz
City of Lakeland

Collins Smith
City of Mulberry

Joe LaCascia
City of Polk City

Nathaniel Birdsong, Jr.
City of Winter Haven

330 W. Church Street
Drawer AT01
Bartow, Florida 33830

Office: 863-534-6444
Fax: 863-534-7069

September 16, 2020

VIA EMAIL ONLY

christina.g.coger@floridadep.gov

Christina Coger
Office of Water Policy
Florida Department of Environmental Protection
3900 Commonwealth Boulevard, MS 35
Tallahassee, FL 32399

Re: **Polk Regional Water Cooperative's Comments Regarding July 1, 2020 Draft of Chapter 62-41 and the August 14, 2020 Draft of the Supplemental Applicant's Handbook**

Dear Ms. Coger,

The Polk Regional Water Cooperative (PRWC) is an independent special district consisting of Polk County and the City of Auburndale, the City of Bartow, the City of Davenport, the Town of Dundee, the City of Eagle Lake, the City of Fort Meade, the City of Frostproof, the City of Haines City, the City of Lakeland, the City of Lake Alfred, Town of Lake Hamilton, the City of Lake Wales, the City of Mulberry, the City of Polk City and the City of Winter Haven. It was formed in 2016, in close cooperation with the Southwest Florida Water Management District (SWFWMD), for the purpose of developing, recovering, storing and supplying water for county or municipal purposes in such a manner, as will give priority to reducing adverse environmental effects of excessive or improper ground water withdrawals from concentrated areas. Since its creation, the PRWC and SWFWMD have been working in a close partnership to develop an alternative water supply (AWS) program to meet the water supply needs of its members, while reducing the harmful impacts of Upper Floridan aquifer withdrawals.

The PRWC and its members are located in the Central Florida Water Initiative (CFWI) Area. As you know, on July 1, 2020 the Department released draft CFW rules pursuant to section 373.0465, Florida Statutes (F.S.). The rules take the form of a new Chapter 62-41, Florida Administrative Code (F.A.C.) and a new Supplemental Applicant's Handbook (collectively the "Rule"). On August 17, 2020, the PRWC requested an extension of the rulemaking process and expressed support of an expanded rulemaking schedule prepared by the local government group referring to themselves as the "STOPR+2 Group." That still remains the PRWC's position and would urge you to expand the rulemaking schedule for the CFWI Rule.

Attachment: 20-09-08 PRWC CFWI Rule Comment Letter (8021 : Action Item - PRWC Comments Regarding FDEP CFWI Rule)

Nonetheless and without retreating from the position set forth in its August 17, 2020 letter, the PRWC would offer the following comments regarding the CFWI Rule. Although the PRWC has only been in existence for approximately 5 years, its members have participated in the CFWI process since its inception in 2006. Throughout that time the PRWC's members have collaborated with the Department, SWFWMD, the St. Johns River Water Management District (SJRWMD), the South Florida Water Management District (SFWMD) and other stakeholders in cooperatively developing solutions that would improve the water resources of Polk County, while ensuring a dependable, cost-effective water supply for our customers.

As explained in our August 17, 2020 letter, the PRWC and its members have begun working on the first phase of its AWS program, which will take at least 50 years to fully implement. Once completed, the AWS program will consist of a state-of-the-art conjunctive use system consisting of Lower Floridan aquifer wellfields, surface withdrawals from the Peace River, recharge/offset project in the Peace Creek Basin, a reservoir and possibly ASR wells. The first phase of this program involves the Southeast Wellfield, the West Polk Lower Floridan Aquifer Wellfield, 75 miles of transmission lines and two water treatment plants. The estimated cost of this first phase is approximately \$492 Million, of which SWFWMD has committed to pay 50% of this eligible cost. The other 50% will be paid by the participating members through a series of loans. The fiscal impact of this AWS program will be significant resulting in a generational commitment by the PRWC and its members to what will ultimately be one of the largest AWS programs in the State of Florida. Therefore, the PRWC and its members are very concerned about rules or regulations that will impact this program and the public water systems of its members.

After carefully reviewing the CFWI Rule, the PRWC and its members have significant concerns regarding certain aspects of the rule. The PRWC's major concerns are summarized and explained below. Additionally, the PRWC's specific comments are presented in a redline revision of Chapter 62-41, F.A.C. (**Attachment A**) and a redline revision of the Supplemental Applicant's Handbook (**Attachment B**).

PRWC MAJOR CONCERNS

A. Annual Conservation Goal and the SWUCA Rules

Section 373.0465(2)(d)6, Fla. Stat. requires the Department to adopt an annual conservation goal for each consumptive use permit consistent with the CFWI Regional Water Supply Plan (RWSP). The statute also requires the Department to incorporate in the CFWI Rule the recovery strategies for the Southern Water Use Caution Area (SWUCA) and the Dover/Plant City Water Use Caution Area (WUCA). These recovery strategies already contain an annual conservation compliance goal of 150 gallons per person per day (gpcd) in Section 2.4.8 of SWFWMD's Applicants Handbook. It was clear to us that the Legislature had intended that the 150 gpcd, as set forth in SWFWMD's rules, serve as the annual conservation goal for the PRWC's members in the CFWI.

We were greatly surprised and concerned to learn during one of the rule development workshops that the Department intended to supersede the SWUCA and Dover/Plant City WUCA recovery strategies by setting a conservation goal of 100 gpcd for public water supply utilities in Polk County, including the PRWC's members. The apparent justification for this change is that the average gross per capita water use within SWFWMD in 2018 was apparently 96 to 99 gpcd and this was an indication that a compliance per capita of 100 gpcd was achievable within Polk County.

However, setting aside what is or is not achievable; the Department does not have the legal authority to supersede the SWUCA and Dover/Plant City WUCA recovery strategies. The statute only authorizes the inclusions of these rules without change. If the Legislature had intended to grant the Department the authority to modify those recovery strategies, it would have said so in section 373.0465(2)(d), F.S. Additionally, section 373.0465(2)(d)6 specifically says that whatever annual conservation goal is established, must be consistent with the CFWI RWSP. There is absolutely nothing in the RWSP that indicates or even suggests a compliance gross per capita rate of 100 gpcd for the PRWC's members. Finally, section 373.0465(2)(e), Fla. Stat. indicates that the CFWI Rule adopted by the Department shall only be applied within the CFWI Area. However, by incorporating the entirety of the SWUCA and Dover/Plant City WUCA recovery strategy rules, which apply in numerous areas outside of Polk County, and then superseding those regulations, the Department is in essence modifying the recovery strategy rules for those persons located outside of Polk County.

Also, the Department's conclusion that a compliance gross per capita rate of 100 gpcd is achievable in Polk County is not supported by competent substantial evidence. Based on data provided in the draft CFWI RWSP, only 34 percent of the public water supply utilities with water use greater than 100,000 gpd within Polk County (32 utilities in 2015) representing only 14 percent of the water use of all 32 utilities have a gross per capita rate less than 100 gpcd. Based on the same data, the flow-weighted average per capita rate for public supply utilities with water use greater than 100,000 gpd within Polk County is 135 gpcd. This information is representative of the PRWC, where 11 out of 16 of its members have gross per capita rates higher than 100 gpcd. This is due to the fact that the demographics and hydrostratigraphy of each of each utility is different. Thus, based on this data, the average per capita water use within SWFWMD is not representative of Polk County and the Department has not shown this goal is achievable by the PRWC's members.

In sum, the PRWC would urge the Department to only apply the annual goal of 150 gpcd appearing in the SWUCA and Dover/Plant City recovery strategies to public water supply utilities within Polk County. The Department and the SWFWMD should not consider applying a stricter compliance goal to the PRWC's members unless it is prepared to modify the recovery strategies rules for all public water utilities within the SWUCA and the Dover/Plant City WUCA.

B. Reduction of Upper Floridan Allocations to Demonstrated 2025 Demands

Section 2.8 of the Supplemental Applicant’s Handbook will reduce a permittee’s Upper Floridan allocation to its 2025 Demonstrated Demand. According to Section 1.2 of the Supplemental Applicant’s Handbook, this would apply to all existing consumptive use permits once the rule is adopted by letter modification using the procedure set forth in the applicable District’s rules. For new uses it would be applied at the time the permit application is filed with the District. Applications to withdraw water from the Upper Floridan aquifer after 2025 will only be allowed if the applicant is able to demonstrate one of the mitigative measures identified in Sections 2.8.3.2, 2.8.3.3 and 2.8.4 Supplemental Applicant’s Handbook.

While the PRWC and its members recognize that Upper Floridan aquifer withdrawals should be reduced as AWS projects are developed in order to reduce environmental harm, an across-the-board uniform reduction is not the answer. This resource allocation limit appears to have been driven by the recent results included in the CFWI RWSP. However, the results in the RWSP are based on a single future groundwater flow model demand scenario and represent a narrow range of future operational conditions that did not include all future increases in recharge (e.g., reclaimed water irrigation and aquifer recharge), alternative spatial withdrawal distribution, and projects to offset the effects of ground water withdrawals or other mitigative measures. These various management strategies represent real options for the PRWC’s members to meet future water supply needs and reducing all allocations uniformly by rule before these options are considered and evaluated is premature. In lieu of wholesale regional allocation reductions, targeted science-based strategies tailored for individual permits should be considered by the Department and the District.

Also, reduction in groundwater use was not one of the items identified in section 373.0465(2)(d), Florida Statutes as a uniform rule for application within the CFWI Area. Reduction in groundwater use only appears in section 373.0465(2)(c), which deals with the development of a consistent water supply **planning** program within the CFWI Area. More specifically, Section 373.0465(2)(c)1 directs the three Districts, the Department and the Department of Agricultural and Consumer Services to “Consider limitations on groundwater use together **with opportunities for new, increased or redistributed groundwater uses that are consistent with the conditions established under s. 373.223...**” (Emphasis added). But this clearly was in the context of the CFWI RWSP and not as part of the uniform rules. Further, the language in this section also charged the Districts and the Department with considering opportunities for new, increased, or redistributed groundwater uses. The proposed across-the-board reduction in Upper Floridan aquifer withdrawals does not take into account these opportunities. In fact, the proposed rule bans any new Upper Floridan aquifer withdrawals after 2025. So the proposed reduction of Upper Floridan aquifer allocations appears to be inconsistent with the Legislature’s intent.

Additionally, the proposed method to impose this restriction on existing uses is unworkable. The Rule says all existing permits will be modified to limit their Upper Floridan allocations by letter modification as set forth in the applicable District Rules.

However, the applicable rules do not authorize the District's to unilaterally modify existing permits by letter modification. Rule 40C-2.331, F.A.C. and Section 1.4.3.3.1 of the SJRWMD's Applicants Handbook and Rule 40E-2.331(4), F.A.C. only permit SJRWMD and SFWMD to modify permits by letter modification at the request of the permittee. Additionally, while Rule 40D-2.331(3), F.A.C. would seem to permit SWFWMD to unilaterally modify a permit if it is shown that the use or disposition is detrimental to other water users or water resources, the process is not considered a letter modification. SWFWMD letter modifications are governed by Rule 40D-2.331(2)(b) and Section 1.4.11 of the SWFWMD's Applicant's Handbook, which only permit letter modifications at the request of the permittee.

Even if the Department and the Districts were able to overcome this hurdle, this process will lead to chaos as permittees will request administrative hearings protesting the reduction of their permitted allocations. Conceivably this process could lead to several hundred hearings. Even if the Districts have the resources to simultaneously handle so many hearings, this process could very well lead to inconsistent results with some administrative law judges ruling against the Districts and some ruling in favor of the Districts. At best, the Department and District will likely not achieve the uniform reduction that it seeks through this rule provision.

If the Department and the Districts decide to push forward with the proposed resource allocation limit, then certain aspects of the rule should be clarified.

- AWS Projects: The PRWC and its members are in the process of implementing an AWS program. The keystone projects of this program are the Southeast Wellfield and the West Polk Lower Floridan Aquifer Wellfield. Both of these projects are Lower Floridan aquifer facilities. Also, one of the PRWC's members, Polk County is involved in the Cypress Lake Project in Osceola County, which is a Lower Floridan aquifer wellfield. The Rule should specifically clarify that these AWS projects are not subject to this resource limitation.
- Temporary Use: Section 2.8.3.1 of the Supplemental Applicant's Handbook indicates that temporary allocations from the Upper Floridan aquifer above the Demonstrated 2025 Demand will be allowed in conjunction with the development of AWS projects. The PRWC is supportive of this concept as it is key to the implementation of its AWS program. However, these temporary allocations should not be arbitrarily limited to 5 years. The Districts should have the discretion to allow temporary allocations from the Upper Floridan aquifer as needed to implement AWS projects. In our case, the PRWC intends to implement an AWS program over a period of 50 years in order to make these projects economically feasible. The PRWC may very well need temporary Upper Floridan aquifer allocations in excess of the 2025 Demonstrated Demand in order to implement this project. In any case, the decision regarding timing, phasing and ultimate length of these temporary allocations should be left to the sound discretion of SWFWMD or SFWMD and the PRWC.

- Conjunctive Uses: Ultimately the PRWC and its members wants to create a conjunctive use system that consists of multiple sources such as UFA groundwater, LFA groundwater, surface water and water from storage (a reservoir and/or ASR wells). For example, when rainfall is above average and surface water supplies are abundant; the PRWC and its members would to the extent possible rely on surface water supplies to meet their demands. But when rainfall is below average and surface water supplies are low, the PRWC and its members would rely on their groundwater sources and possibly water from storage to meet their demands. This operational mode is intended to reduce harmful impacts from excessive groundwater withdrawals, while complying with surface water MFLs. If the PRWC's members were to permanently lose a significant portion of their UFA allocations, the entire conjunctive use operational scheme may very well become infeasible, thereby adversely impacting the implementation of the PRWC's AWS program to the detriment of the public and water resources.
- UFA/LFA Wells: Considering a well that is open to both the UFA and the LFA to be entirely within the UFA does not accurately reflect hydrogeologic conditions. The UFA and LFA are separated by a semi-confining unit known as the Middle Confining Unit (MCU) that restricts flow between the aquifers. A dual-zone well could have a small percentage of the open-hole interval within the UFA and considering the entire well within the UFA is overly conservative. In addition, the location of the interface between the UFA, MCU, and LFA is based on hydrogeologic interpretations. The inaccurate generalization that dual-zoned UFA/LFA wells should be considered UFA wells should be removed from the Rule. Alternatively, the Rule should clearly define a UFA well as one with an open interval between the bottom of the intermediate confining unit to the top of the MCU, and a LFA well as one with an open interval below the MCU.

In summary, the PRWC and its members recognize the sustainable limits of fresh groundwater from the Upper Floridan aquifer may be reached within the RWSP planning horizon in portions of the CFWI. The PRWC and its members are in the process of implementing an AWS program to address this situation. While it is our position that the Department remove the 2025 Demonstrated Demand from the Rule because the PRWC's members have numerous options to reduce adverse environmental impacts, if that does not come to pass, then the PRWC would recommend that the Department consider making the clarifying changes described above and in Attachments A and B to this letter. These changes are needed in order to ensure the feasibility of the PRWC's AWS program.

C. Saline Water Intrusion

The PRWC is concerned that Section 3.3 of the Supplemental Applicant's Handbook does not contain adequate guidance regarding harmful saline water intrusion. Without clear direction through properly defined terms and more specific evaluation parameters to determine when changes in water quality would be considered harmful, the review of permits separated by District boundaries will lead to inconsistent results.

Also, we are very concerned that the Rule does not contain a provision similar to Section 3.4.1 of SFWMD's Applicants Handbook, which governs the permitting and use of saline water. SFWMD relied on the criteria contained in this rule, when permitting the Southeast Wellfield project. We believe a rule like this is critical to the permitting of brackish water AWS projects such as the Southeast Wellfield and the West Polk Lower Floridan Aquifer Wellfield. By superseding SFWMD's existing rules and not incorporating this provision, the proposed Rule will make it more difficult to permit these AWS projects within Polk County. Consequently, we strongly recommend that similar language to Section 3.4.1 be included in the Rule.

D. Lower Quality Sources

Currently, the water use permitting rules of all three water management Districts require that the lowest quality water source must be used that is suitable for the purpose and is technically, economically and environmentally feasible, but excludes the use of a lower quality water source when the use is for human food preparation or direct human consumption. The Rule removes this exemption, which is curious because section 403.0465(2)(d), Fla. Stat. requires the Department to adopt uniform water permitting rules and the exclusion of water used for human food preparation or direct human consumption is one of the few examples of uniformity among the districts. As such, we question whether this change is consistent with the Department's statutory authority.

We suspect the Rule has removed this exemption in order to mandate the investigation of potable reuse by water supply utilities for direct human consumption. While the PRWC and its members recognize that potable reuse is being investigated by water suppliers, including some of the PRWC's members, and that the state regulatory agencies and stakeholders have been working to develop a framework to regulate potable reuse, however, these efforts are not yet far enough along. We point out that the legislation authorizing direct potable reuse was only enacted a little over a month ago and the Department is at the beginning stages of adopting rules to implement this law. As such, there is no regulatory mechanism in place for direct potable reuse and, as of yet, there is no justification warranting removal of human food preparation and direct human consumption from the requirement to use the lowest acceptable water quality sources for the proposed use. Thus, if this language change were to stand, it would only result in unnecessary and costly feasibility studies that would conclude that the use of lower quality sources for direct human consumption is technically infeasible.

Rather than forcing public water suppliers to unnecessarily spend money on these studies, it would be more reasonable and cost-effective for the Department to reinstate this exclusion and re-visit this issue in the future after the Department has adopted its rules, several projects have been implemented and operational data has been collected. Until then, we request that these exemptions continue to be included in the rule.

E. Harm to Natural Systems

We support the Department's attempt to develop a uniform rule regarding harm to natural systems. This is one area where the District's rules and practices differ significantly and uniformity is required. We are pleased to see that the Department has included language developed during the Regulatory Team process regarding identification of wetlands and other surface waters, exclusion of certain wetlands and evaluation of harm to natural systems. However, we are disappointed the Rule did not fully adopt the language proposed by the stakeholders regarding elimination and mitigation of harm to natural systems. All three Districts use some form of elimination and/or mitigation of harm in their consumptive use permitting process. Consequently, you cannot have true uniformity unless both these items are clearly spelled out in the Rule. Therefore, the PRWC and its members recommend that the Rule be amended to include both these topics. Only by addressing elimination and mitigation of harm can you really have a uniform rule regarding harm to natural systems.

F. Harm to Off-Site Land Uses

This is a new topic that was not discussed during the Regulatory Team process nor addressed in prior rule development workshops. Nonetheless, we are supportive of including this provision in the Rule. The PRWC is a strong supporter of consumptive use permitting uniformity. However, we are concerned that the language contained in the Rule does not capture important policy decisions that were developed regarding harm to off-site land uses during the Consumptive Use Permit Consolidation process spearheaded by the Department in 2014. For example, the rules of all three Districts currently contain language making it clear that upon renewal, without a change in water use allocation, it is only those land uses in existence at the time the water use was first permitted that are protected. These and other policies should be included in the Rule.

G. Additional Consistency Required to Meet Legislative Directive

Section 373.0465(2)(d), F.S. requires the Department to adopt uniform rules for application within the CFWI Area. While we applaud the effort that the Department and the Districts have put into achieving this goal, we believe the Rule still falls short of this statutory goal. We believe the Department has failed to develop a single process for permit reviews or a single, consistent process to set MFLs and water reservations. While these objectives are broached in the Rule in a general sense, they do not have specificity required of a uniform rule. For example, as pointed out in Attachment A, the Rule only requires that MFLs and Reservations be established pursuant to sections 373.042, 373.0421 and 373.223(4), F.S. That is already what is required of the three Districts. Nonetheless, the Districts establish and implement MFLs and reservations in significantly different ways. The Rule makes no attempt to impose uniformity with regards to MFLs and reservations.

Further, the rule does not address other existing District consumptive use permitting rules that are inconsistent. For example, the Rule does not address permit thresholds, interference with existing legal uses, pollution of water resources, monitoring and modeling requirements.

As one example, the Districts require different types of modeling with regards to steady-state versus transient conditions, and though a single transient model was developed for the region (East-Central Florida Transient Expanded groundwater flow model), that planning model is not currently recommended for permit reviews. As such, the Districts will continue to use separate models with different assumptions to evaluate individual water use permits.

In addition, the Districts require different demand and climatic conditions be evaluated as part of the modeling performed in support of a permit application. For example, SFWMD requires a 90-day drought or a 1-in-10 year drought condition be simulated, depending on the permit. However, the Rule proposes using approximately average conditions (based on a 5-in-10 year climatic condition for non-agricultural uses) and a 2-in-10 year drought for agricultural uses. Consequently, the modeling and monitoring mandated under SFWMD's rules are inconsistent with the Rule.

Because the Rule falls short of the requirements imposed by the Legislature, the Districts will continue to evaluate permits based on their individual standards. In fact, one could argue that the Rule makes matters worse by only creating partial uniformity with regards to certain permitting standards, but not imposing uniformity with regards to the methods and means by which the District evaluate permit applications. In short, if the Rule in its present form becomes law, the situation will inevitably result in inconsistent permitting decisions. We realize achieving uniformity among the three Districts is no easy task, but nonetheless, the Department should take the additional time needed to resolve these inconsistencies and ambiguities before Rule is adopted. The opportunity to achieve uniformity within the CFWI is unique and should not be squandered by an incomplete product.

CONCLUSION

The PRWC supports the development of consistent regulations that will manage the water resources of the CFWI Area in an effective and efficient manner. However, as written, we do not believe the Rule fully meets this goal and will have a significant adverse economic impact on Polk County. Further unless the changes recommended in this letter and Attachments A and B are made to the Rule, the PRWC is concerned that it will be difficult, if not impossible to implement its proposed AWS program.

Although we are providing these comments regarding the Rule, the PRWC continues to believe the current rulemaking schedule is inadequate. We continue to recommend that the Department expand the schedule as recommended in our August 17 letter. In the interim, we will continue to cooperatively work with the Department and the Districts to improve the Rule and develop a product that fully meets all the objectives set forth in section 373.0465, F.S.

Sincerely,

Polk Regional Water Cooperative

Timothy J. Pospichal, Chairman

Enclosure

cc: Adam Blalock, FDEP
Brian Armstrong, P.G., SWFWMD
Dr. Ann Shortelle, Ph.D., SJRWMD
Drew Bartlett, SFWMD
Chris Pettit, FDACS
Edward Smith, Esq., FDEP
Chris Tumminia, Esq., SWFWMD
Mary Ellen Winkler, Esq., SJRWMD
Jennifer Brown, Esq., SFWMD
Steven Hall, Esq., FDACS

ATTACHMENT "A"

Chapter 62-41, Florida Administrative Code
PRWC Redline Revisions

Attachment: 20-09-08 PRWC CFWI Rule Comment Letter Attachments (8021 : Action Item - PRWC Comments Regarding FDEP CFWI Rule)

DRAFT August 12, 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 (CFWI) Area Supplemental Applicant's Handbook (Supplemental Applicant's Handbook), incorporated by reference in ~~Subsection-Rule~~ 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 permittees and applicants, whose points of withdrawal are all located within 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 (SFWMMD) (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-Rule~~ 40C-2.101(1)(a), F.A.C., (<https://www.flrules.org/gateway/reference.asp?No=Ref-09818>), to the extent they are not superseded.

(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

DRAFT August 12, 2020

Handbook, Part B, which is incorporated in ~~paragraph Rule~~ 40D-2.091(1)(a), F.A.C.,

~~(<https://www.flrules.org/Gateway/reference.asp?No=Ref-11553>), to the extent they are not superseded.~~

(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 ~~Rulesubsection~~ 40E-2.091(1), F.A.C.,

~~(<http://www.flrules.org/Gateway/reference.asp?No=Ref-05791>), to the extent they are not superseded.~~

(5) ~~Paragraph-Section~~ 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~~ CFWI region Area 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 ~~Rulesubsections~~ 40C-2.301(1) and (2) and ~~subsections-Rules~~ 40D-2.301(1) and (2); and ~~subsection-Rule~~ 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) ~~Except when the use is for human food preparation or direct human consumption, and those agricultural uses outlined in Section 2.9 of the Supplemental Applicant's Handbook, incorporated by reference in Rule 62-41.302(1), F.A.C. (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>), w~~Will utilize the lowest quality water source that is suitable for the purpose and is technically, environmentally, and economically feasible;

(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., ~~by the District issuing the permit, renewal or modification or by the Department pursuant to section 373.042(5), F.S.;~~ and

(i) Will not use water reserved pursuant to section 373.223(4), F.S. ~~by the District issuing the permit, renewal or modification or by the Department pursuant to section 373.042(5), F.S.~~

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

(4) ~~The rule shall only apply to those Consumptive Use Permits whose withdrawal points are all located within the CFWI Area, as provided in Section 1.2 of the Supplemental Applicant's Handbook, incorporated in Rule 62-41-302(1), F.A.C. 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~~

DRAFT August 12, 2020

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 _____.

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. Only permit Applicants and permittees 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 may shall not be granted by the SWFWMD 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 permit applicant or permittee 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, or such other person designated by the Department Secretary, that it intends to grant the variance.

(3) An permit applicant or permittee 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.

(54) The Districts shall only grant variances when the permit applicant or permittee demonstrates that it has achieved or will achieve the purpose of the Chapter 373, F.S. underlying statute by other means.

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

(a) A caption, which shall read:

DRAFT August 12, 2020

Petition for Variance from Rule (Citation)

(b) The name, address, any e-mail address, telephone number, and any facsimile number of the ~~petitioner-permit applicant or permittee~~, 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-permit applicant or petitioner~~, if any;

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

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

(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.

(76) 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.

(87) 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-permit applicant or permittee~~ 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.

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

(109) Renewals of variances shall be applied for and reviewed in the same manner ~~as set forth above 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) ~~Identify whether the proposed MFL or Water Reservation waterbody is being affected or has the potential to be affected by withdrawals located within the CFWI Area in one or both of the other two Districts.~~

(b) 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;

(c) 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.

(d) Priority Lists shall conform with the requirements set forth in section 373.042(3), F.S. and ~~subsection Rule 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 and the Department shall comply with the requirements of sections 373.042 and 373.0421, F.S., and Rule 62-40.473, F.A.C.

(b) MFLs shall be expressed consistently amongst the Districts and the Department, including magnitude, duration, and frequency.

DRAFT August 12, 2020

~~(c)~~ When establishing an MFL, the adopting District or the Department shall consider the unique characteristics of the waterbody ~~and basin~~ as determined using the best available information. The adopting District or the Department 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.

~~(d)~~ If a proposed MFL waterbody is being affected or has the potential to be affected by withdrawals located within the CFWI Area in one or both of the other two Districts and, if it is determined the existing flow or water level in the water body is below or projected within 20 years to fall below the applicable minimum flow or minimum water level, the pursuant to Section 373.042(5), F.S., the Department shall adopt by rule the proposed MFL and a recovery or prevention strategy concurrently with the adoption of the MFL.

~~(e)~~ If a proposed Water Reservation waterbody is affected or has the potential to be affected by withdrawals located within the CFWI Area in one or both of the other two Districts, then the Department shall adopt the Water Reservation by rule pursuant to Section 373.042(5), F.S.

(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 for purposes of adopting, modifying and implementing a recovery or prevention strategy pursuant to section 373.0421, F.S., the District within which the MFL water body is located or the Department with regards to an MFL adopted pursuant to section 373.042(5), F.S. shall use the status assessment approach that includes a screening level analysis and a causation analysis, ~~when applicable~~ pursuant to ~~Rule~~ 62-41.304(3)(a)-(c), F.A.C.. This status assessment approach shall initially be applied within 5 years of the adoption of this Rule by each District within which an existing MFL water body is located and prior to a District or the Department adopting a new MFL or modifying an existing MFL. 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 for MFL waterbodies in the CFWI area ~~periodically at least every five years~~ following adoption of the MFL to monitor the status of ~~an~~ the adopted MFL, and prior to a District utilizing an MFL to review a consumptive use permit application or revoke, modify, or impose requirements on a consumptive use permittee.

(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 or the Department 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;

DRAFT August 12, 2020

- 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 or the Department will determine whether the status of the water body has changed since adoption of the MFL or the most recent status determination, whichever is later, such that that a prevention or recovery strategy is now required under Section 373.042(2). If a MFL waterbody status has changed, or if a MFL waterbody status has not changed, but it is determined that the MFL waterbody has previously required a prevention or recovery strategy, the District or the Department, as applicable, shall initiate the appropriate rulemaking to adopt or amend a recovery or prevention strategy within six months of the determination that the status of the water body has changed or that the waterbody had previously required a prevention or recovery strategy. ~~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~~ adopted or modified when required pursuant to and consistent with sSection 373.0421, F.S., and Rule 62-40.473, F.A.C.

(b) When required, Recovery and Prevention Strategies shall ~~either be developed~~ adopted or modified by a District for individual or multiple waterbodies located within the District or regionally by the Department for MFLs adopted by Department pursuant to section 373.042(5), F.S..

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

(d) The Recovery or Prevention Strategy must include a phased-in approach or time table which will allow for the provision of sufficient water supplies for all existing and projected reasonable-beneficial uses, including development of additional water supplies and implementation of conservation and other efficiency measures concurrent with and, to the maximum extent practical, to offset reductions in permitted withdrawals consistent with.

(e) The recovery or prevention strategy may not depend solely on water shortage restrictions declared pursuant to sections 373.175 or 373.246, F.S. ~~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) When establishing a reservation, the Districts and the Department shall ~~comply with~~ Water reserved from use shall comply with the requirements of sections 373.042(5) and 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.

(c) When establishing a reservation, all presently existing legal uses of water shall be protected as long as such use is not contrary to the public interest.

(d) Reservations shall be expressed consistently amongst the Districts, including a magnitude, duration, and frequency.

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

(1) Pursuant to section 373.0465(2)(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 ~~adopted by SWFWMD.~~

(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:

DRAFT August 12, 2020

(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~~ SWFWMD’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 ~~Rule Subsection~~ 62-41.302(1), F.A.C., (<https://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXXX>) where noted:

(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, 2.4.3.1.6 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;~~

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

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

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

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

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

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

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

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

(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>).

DRAFT August 12, 2020

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.

Attachment: 20-09-08 PRWC CFWI Rule Comment Letter Attachments (8021 : Action Item - PRWC Comments Regarding FDEP CFWI Rule)

ATTACHMENT "B"

CFWI Supplemental Applicant's Handbook
PRWC Redline Revisions

Attachment: 20-09-08 PRWC CFWI Rule Comment Letter Attachments (8021 : Action Item - PRWC Comments Regarding FDEP CFWI Rule)

DRAFT August 12, 2020

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) “**Conjunctive Use**” is a type of public supply use, which uses water from multiple sources
25 such as ground and surface waters or water from storage such as reservoirs or aquifer storage and
26 recovery wells to meet water demands while reducing the potential adverse effects associated
27 with the individual sources. For example, a public supply use that primarily withdraws surface
28 water or water from storage during the wet season and primarily withdraws groundwater during
29 the dry season would be a conjunctive use.

30

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

35

36 (ed) “**Endangered or threatened species**” or “**listed species**” means those animal species that
37 are identified as endangered or threatened by the US Fish and Wildlife Service, the National
38 Marine Fisheries Service, or the Florida Fish and Wildlife Conservation Commission, as well as
39 those plant species identified as endangered or threatened by the US Fish and Wildlife Service or
40 National Marine Fisheries Service, when such plants are located in a wetland or other surface
41 water.

42

43 (fe) “**Area of Influence**” means:

44 1. For withdrawals from groundwater systems the area of influence is defined by the cone
45 of depression.

DRAFT August 12, 2020

2. For withdrawals from surface water systems the area of influence is defined as the extent to which the withdrawal results in ~~an impact a reduction in~~ surface water levels or flows ~~using the best available tools that can be physically measured in the field.~~

(gf) **“Cone of Depression”** means the conical shape taken by the potentiometric surface or water table showing the variation of drawdown, with distance, due to pumping from a well or wellfield. ~~The cone of depression is defined by the 0.1 foot drawdown contour for the proposed withdrawal from the water table aquifer and the 1.0 foot contour for the proposed withdrawal from a confined aquifer.~~

(hg) **“Demonstrated 2025 Demand”** means the quantity of water, needed to meet demands in 2025. ~~For uses outside the Southern Water Use Caution Area (SWUCA) and the Dover/Plant City Water Use Caution Area (WUCA), Demonstrated 2025 Demand will be calculated utilizing the methodologies described in Section 2.0 of the Supplemental Applicant’s Handbook. For uses within the SWUCA and Dover/Plant City WUCA, Demonstrated 2025 Demand will be calculated utilizing the methodologies contained in the SWFWMD rules that were incorporated by referenced in Rule 62-41.305, F.A.C.~~

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

(ji) **“New Uses”** means those uses ~~that were not~~ permitted ~~prior to~~after (effective date).

(k) **“Mandatory Reuse Zone”** means ~~an area designated by local ordinance as a mandatory reuse zone and required by such local ordinance to use reclaimed water.~~

CFWI – 1.2 Modification of Existing Permits

As of the effective date of this rule, all ~~new uses existing consumptive use or water use permits, whose points of withdrawal are all located within the CFWI Area and, upon renewal or a modification with an increased allocation, all existing uses, whose points of withdrawal are all located within the CFWI Area will be modified to~~ will incorporate the applicable measures and conditions described in ~~sections 1.1 (Definitions) and 2.0 (Demonstration of Water Demand, Allocations, and Source Modifications), including all subparts~~ the Supplemental Applicant’s Handbook as follows: ~~Specifically,~~

- A. All allocations ~~are hereby will be modified established~~ in accordance with the designated use class of the permitted use and the corresponding method of allocation described in section 2.0, ~~as applicable.~~
- B. All uses will be evaluated for harm to the water resource of the area in accordance with section 3.0 and harm to existing off-site land uses in accordance with 4.0, ~~as applicable~~
- B-C. The permit conditions specified in Section 5.0 ~~will be are~~ incorporated into all ~~existing~~ consumptive use permits in the CFWI Area, ~~and shall be placed on all permits for new uses within the area as~~ applicable.

DRAFT August 12, 2020

92 ~~Each District shall modify the existing permits CUPs by letter modification, using the procedures~~
 93 ~~set forth in the applicable District rules. Notice of agency action will be provided to the applicant~~
 94 ~~and to persons who have requested notice as required by Section 120.60, F.S.~~
 95

96
 97 **CFWI - 1.3 Environmental Resource and Consumptive Use Permitting Concurrency**
 98

99 Within the CFWI Area, this section, CFWI - 1.3, shall be in addition to the SJRWMD
 100 Applicant's Handbook for the Consumptive Uses of Water and shall supersede in its entirety
 101 section 1.3.5 of the SWFWMD Water Use Permit Applicant's Handbook, Part B, ~~Rulesubsection~~
 102 40D-2.301(3), F.A.C., and section 1.4.6 of the Applicant's Handbook for Water Use Permit
 103 Applications within the South Florida Water Management District.
 104

105 If an individual ~~Consumptive Use Permit (CUP)~~ application includes either of the following two
 106 requests for a consumptive use of water, then the CUP application shall not be considered
 107 complete until the applicant has submitted a complete application for an environmental resource
 108 permit (ERP), pursuant to Chapter 62-330, F.A.C.:
 109

- 110 A. Requests to irrigate golf course areas, cemeteries, nursery plants, agriculture crops, or
 111 landscaped areas, which are a part of an artificially-created surface water
 112 management system that requires an individual or general ERP; or
 113
 114 B. Requests to dewater for a project that requires an individual or general ERP under
 115 Chapter 373, F.S.
 116

117 In all other cases, the District can take final agency action on the CUP application without regard
 118 for the status of the ERP application.
 119

120 The requirement to submit a complete application for an ERP shall not apply to:
 121

- 122 A. Requests for a consumptive use of water associated with phosphate mining with an
 123 approved reclamation plan pursuant Chapter 378, F.S.;
 124
 125 B. Requests for a consumptive use of water associated with an ERP project that qualifies
 126 for a general permit under Section 403.814(12), F.S.; or
 127
 128 C. A CUP application that does not meet the conditions for issuance in Rule 62-41.301,
 129 F.A.C.
 130

131 **CFWI - 2.0 Demonstration of Water Demand, Allocations, and Source Identification**
 132

133 Within the CFWI Area, sections, CFWI - 2.0 – 2.6, inclusive of all subsections, supersedes, 2.2.
 134 (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,
 135 2.2.6.1 through 2.2.6.1.2, ~~2.2.7~~, 2.2.8 through 2.2.8.2, 2.2.9, and 2.3(e) of the SJRWMD
 136 Applicant's Handbook; sections 2.0, 2.1.1. (excepting 2.1.1.4), 2.3 (excepting 2.3.7), 2.4.1, 2.4.3
 137 (excepting 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

DRAFT August 12, 2020

138 (excepting 2.4.6.1), and 2.4.7 (excepting 2.4.7.1), of the SWFWMD Applicant's Handbook; and
 139 sections 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
 140 associated with mining projects, and excepting 2.3.2.D.1., 2.3.2.E.1., 2.3.2.F.1., 2.3.2.G.) of the
 141 SWFWMD Applicant's Handbook.

142 To receive a permit, an applicant must demonstrate that the proposed water use is a reasonable-
 143 beneficial use of water, as required by Section 373.223, F.S., as further explicated in the
 144 conditions for issuance in Rule 62-41.301, F.A.C. The proposed withdrawal of water must be
 145 supported by information that provides reasonable assurance that the withdrawal quantities are
 146 necessary to supply a certain reasonable demand. Only the portion of demand for which an
 147 applicant can provide such reasonable assurance will be permitted. ~~Additional or alternative~~
 148 ~~provisions are required for uses within the Southern and Dover/Plant City Water Use Caution~~
 149 ~~Areas in accordance with Rule 62-41.305, F.A.C. For uses within the SWUCA and the~~
 150 ~~Dover/Plant City WUCA, an applicant must demonstrate that the proposed water use is a~~
 151 ~~reasonable beneficial use, as required in the SWFWMD rules incorporated by reference in Rule~~
 152 ~~62-41.305, F.A.C.~~

153
 154 An applicant's allocation reflects a consideration of factors including demands and, as
 155 applicable, treatment losses, reclaimed water and other sources of water, conservation, and water
 156 purchased, sold, or transferred, and documented historical information. ~~When necessary to~~
 157 ~~prevent water resource impacts or implementing projects that add new sources of water,~~
 158 ~~allocations can be expressed in increments over the permit term.~~

159
 160 In no case, however, will the allocation be greater than the total rated capacity of all existing and
 161 proposed withdrawal facilities.

162
 163 ~~Each permit issued by the District shall identify the source of withdrawal, the use type, and the~~
 164 ~~location of the withdrawal.~~

165 166 **CFWI - 2.1 Allocation Expression**

167
 168 Applicants shall request quantities in gallons per day (gpd) or million gallons per day (mgd) for
 169 each component of demand according to the demand components listed for each use type.

170 171 **CFWI - 2.1.1 Annual Quantity**

172
 173 The annual quantity is determined by calculating the total quantity of water to be withdrawn over
 174 a 12-month period. A daily average is calculated by dividing the annual quantity by 365. The
 175 annual average quantity must equal the quantities required by each demand component for the
 176 particular use.
 177

178 179 **CFWI - 2.1.2 Peak Month**

180
 181 The peak month allocation represents the greatest quantity permitted to be used in any single
 182 month. The peak month allocation is determined by dividing the month of highest water use by
 183 the number of days in that month for the associated use type. For agricultural and landscape/

DRAFT August 12, 2020

184 recreation use types, the peak month allocation is determined by identifying the peak month
185 demand under the 2-in-10 year drought.

186
187 **CFWI - 2.2 Public Water Supply Use Type**

188
189 **CFWI - 2.2.1 Public Water Supply Demand Calculation and Components**

190
191 Generally, public supply demand will be calculated using the average gross per capita rate for the
192 most recent five years as applied to the applicants' service areas' residential population served. See
193 section 2.2.3.2.

194
195 Alternative methodologies may be used if there is reasonable assurance that the methodology is
196 appropriate for the service area and that the withdrawal quantities requested are necessary to
197 supply the proposed demand. Examples of alternative methodologies are utility-level growth rates
198 for applicants with a large number of dwelling units occupied by non-residents or reasonable design
199 per capita for new developments.

200
201 Within the ~~Southern Water Use Caution Area~~SWUCA and Dover/Plant City WUCA, section
202 2.3.7 and 2.4.8.4 of the SWFWMD Applicant's Handbook shall be used to determine an
203 applicant's demand; ~~however, allocations from the Upper Floridan Aquifer shall be determined~~
204 ~~using section 2.8 of the CFWI Supplemental Applicant's Handbook.~~

205
206 Demand quantities shall be based on raw water demand. Applicants shall request total water
207 quantities in gallons per day (gpd) or million gallons per day (mgd) for each demand component,
208 as defined below, in order to justify the quantities requested in the application.

- 209
210 A. Residential use shall be divided into single-family residential use (including mobile
211 homes) and multi-family residential use.
212 B. Non-Residential or Other Metered use shall include all uses other than residential
213 accounted for by meter.
214 C. Estimated Unmetered use shall include estimates of unmetered uses that are tracked
215 by the applicant.
216 D. Treatment losses shall include significant treatment process losses associated with
217 making the water potable, such as reject water in desalination, membrane cleaning or
218 back-flush quantities associated with sand filtration systems. Treatment losses are
219 calculated as raw water into the plant minus treated water out of the plant.
220 E. Water losses are equal to the total water plant input minus all accounted uses
221 described in A. through D. above. Water losses shall not exceed 10% of total
222 distribution quantities.
223 F. Exports / Imports shall include the quantity of water delivered to other entities
224 through agreements or contracts and the duration of the water service delivery. For
225 those utilities which purchase supplemental water from another utility, the volume of
226 water historically purchased (or contracted to be purchased for proposed uses) for an
227 average and maximum daily basis and the duration of the agreement / contract shall
228 be provided.
229

DRAFT August 12, 2020

230 **CFWI - 2.2.2 Public Water Supply Population Projections for the Residential Demand**
 231 **Component**

232 The applicant must provide population projections for those who will be served by the public
 233 supply system.
 234

235 To determine future population to be served, population data should be derived from the most
 236 recent county-level/parcel level forecast of population based on published University of Florida,
 237 Bureau of Economic and Business Research (BEBR) - Medium projections for target year(s).
 238 Other accepted sources of population data that may be used to supplement BEBR medium
 239 projections to evaluate the population projections include:
 240

- 241
- 242 • The current Comprehensive Land Use Plan developed under Part II, Chapter 163, F.S.;
 - 243 • Historic growth rate at utility-level based on an average of five years of historic
 244 population times the base year served dwelling unit population (estimate of total
 245 residential dwelling units multiplied by the estimate of persons per household). The base
 246 year would be defined as the last full year. Average of five years historic population
 247 would include the base year and four years prior;
 - 248 • The current CFWI Regional Water Supply Plan; and
 - 249 • Regional Planning Council Data and Special population studies.
- 250

251 If an applicant proposes an adjustment to the BEBR-medium projection or utility level growth
 252 rate, the applicant must provide reasonable assurance through specific data and analysis that the
 253 adjustment better predicts population growth rate due to significant changes in factors affecting
 254 the applicant's service area's population growth rates (either up or down) in the most recent five
 255 years that would render a five-year average not representative for projecting over the requested
 256 permit duration. The specific data and analysis should include an alternate five-year average
 257 calculation.
 258

259 Public supply entities that provide water supply for predominantly commercial uses that do not
 260 support a permanent population are excluded from these calculations and demand projections
 261 shall be evaluated using best available information.
 262

263 For all methods, seasonal service area population may be used, if applicable, and, if used, shall
 264 be estimated using methods recommended by either the Department of Economic Opportunity or
 265 proposed by the utility and approved by the District. Applicants may also identify tourist
 266 population, if known. In addition, the population to be served can be a mixture of permanent and
 267 non-permanent population as long as it is consistently used.
 268

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

270 The per capita use rate that is the most representative of anticipated demands, considering the water
 271 conservation plans required by the Districts, shall be identified and used for water demand projection
 272 purposes.
 273

274 **CFWI - 2.2.3.1 Uniform Method for Calculating Gross Per Capita Daily Water Use**
 275

DRAFT August 12, 2020

276
277 Gross Per Capita is defined as: $(WD + IM - EX) / RP$ Where:

- 278
279
- WD = ground water, surface water and stormwater withdrawals.
 - IM = water imported/purchased from other supplier(s). Irrigation water, excluding Reclaimed Water, provided to the applicant's service area by a separate utility shall be counted as imported water
 - EX = water exported/sold to other supplier(s)
 - RP = Residential Population (for a Utility Service Area) is based upon total residential dwelling units served, which include Single Family Residential, Multi-Family Residential (apartments, townhomes, condos, duplexes) and Mobile Homes, multiplied by a utility-specific estimate of persons per household. The applicant shall provide reasonable assurance that the utility specific persons per household figure used demonstrates a reasonable method for determining persons per household within its service area. Examples of typically reliable data include census-based averages, BEBR persons per household estimates, and utility documented surveys.

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292
293 **CFWI - 2.2.3.2 Uniform Method for Calculating Residential Per Capita Daily Water Use**

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

295
296
297
298
299 **CFWI - 2.2.4 Defining the Public Water Supply Service Area**

300
301 A. Public Service Commission Service Territory

302
303 If the applicant is regulated by the Public Service Commission (PSC), the service area should be that area for which the utility has obtained a certificate from the PSC that the applicant intends to serve during the requested permit duration. If the projected future service area is larger than the area certificated at the time of application, the applicant will solicit the opinion of the PSC as to the ability of the applicant to serve the area and provide the PSC's response to the District. If the PSC determines that the applicant is capable of serving the area, the projected service area will be used in the demand calculation. If used, a special condition to the permit shall require the permittee receive a certificate from the PSC for the expansion within two years of permit issuance. If a permittee will not serve a new demand located within either the existing or proposed service area, the permitted allocation is subject to modification.

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305
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312
313
314 B. Local Government Franchise

315
316 If the applicant is regulated by a local government, the service territory should be that area for which the applicant has obtained a franchise that the applicant intends to serve during the requested permit duration.

317
318
319
320

DRAFT August 12, 2020

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

325
 326 If the local government determines that the applicant is capable of serving the area the
 327 projected service area will be used in the demand calculation. If used, a special condition
 328 to the permit shall require the permittee receive a franchise from the local government for
 329 expansion within two years.

330 C. Unregulated Service Territory

331
 332 If the applicant is not regulated by either local government or the PSC, the projected
 333 service area must: (1) conform to the area that the utility can reasonably serve within the
 334 permit duration; and (2) not already be within another entity's established service area. If
 335 the applicant is claiming service areas outside of its legal boundaries or within the legal
 336 boundaries of another utility, an explanation, with supporting documentation, must be
 337 provided in the application.
 338

339 D. Conflicting Service Territories

340
 341 If, during review of a permit application, conflicting service area claims arise between
 342 applicants or between an applicant and public supplier permittee, the users must resolve
 343 the dispute between themselves, or seek resolution before the PSC, the local government,
 344 or through a body with substantive jurisdiction to resolve the conflict, whichever is
 345 applicable to the applicant. An applicant may amend its application to either remove the
 346 services areas in dispute or to include an allocation based only on the non-disputed
 347 portions of the projected service areas; otherwise, the District will allocate based on the
 348 non-disputed portions of the projected service area.
 349

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

351 CFWI - 2.3.1 ICI Demand Components

352
 353 Reasonable demand is based on the amount of water needed to perform an ICI process in an
 354 efficient, non-wasteful and economic manner. To demonstrate the quantities applied for are
 355 reasonable, applicants must identify the quantities needed for each demand component listed
 356 below. Applicants shall request quantities in gallons per day (gpd) or million gallons per day
 357 (mgd) for each demand component.
 358

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

- 360 A. Processing and manufacturing, which includes water lost in processing and
- 361 manufacturing where water is an input in the process.
- 362 B. Office and personnel use, which includes personal and sanitary use.
- 363 C. Landscaping and irrigation
- 364
- 365

DRAFT August 12, 2020

- 366 D. Other needs. All “other needs” shall be specified in the application along with
 367 supporting documentation to meet the conditions for issuance pursuant to 62-41.301,
 368 F.A.C.
 369

370 CFWI - 2.3.2 ICI Demand Calculation by Demand Component

371 The applicant shall calculate demands under this section by preparing a water balance for the
 372 types of activities associated with the application. The water balance may be in the form of a
 373 spreadsheet or flow diagram, indicating all sources and losses. An example water balance
 374 diagram is provided in Design Aid 1.
 375

376 CFWI - 2.3.2.1 Processing, Manufacturing, and Power Generation

377 The water balance shall include the below information.
 378

- 379
- 380 A. The Applicant shall provide a written account of where water is used in
 381 manufacturing or processing; where and in what quantities water is lost in
 382 manufacturing or processing; and where and in what quantities water is disposed in
 383 the manufacturing or processing.
 384
- 385 1. All water sources that input to activity must be listed – e.g., groundwater
 386 from wells, groundwater from dewatering, surface water withdrawals,
 387 collected rainfall, recycled or reused water.
 - 388 2. The amount of water used from all sources should equal the sum of the
 389 water used, lost and disposed.
- 390
- 391 B. The Applicant shall list all uses and losses including, as applicable:
 392
- 393 1. Water used to wash product.
 - 394 2. Evaporation from settling/recirculation ponds.
 - 395 3. Water retained and shipped with product.
 - 396 4. Water used to separate or beneficiate the product.
 - 397 5. Water used to transport the product (slurry).
 - 398 6. Animal needs.
 - 399 7. Draining or filling augmentation of ponds, pools, flumes and aquatic
 400 habitats necessary for processing and manufacturing.
- 401
- 402 C. The Applicant shall identify the final disposal of all water including, as applicable:
 403
- 404 1. Off-site discharges.
 - 405 2. Disposal/recharge through percolation ponds.
 - 406 3. Disposal by spray irrigation.
 - 407 4. Water entrained in materials.
 - 408 5. Recycling of wastewater.

409 CFWI - 2.3.2.2 Personal use

410 Personal water use includes water needed for personal use such as restroom facilities and for
 411 drinking, bathing, cooking, sanitation, and cleaning. Based on the information provided,

DRAFT August 12, 2020

412 demands for personal use shall then be calculated using gallons per employee/contractor or
 413 visitor needed based on best available information from typically reliable data sources such as
 414 US Department of Energy, AWWA Research Foundation, Pacific Institute, Conserve Florida on-
 415 line library, or US Environmental Protection Agency.

416
 417 A. In determining the number of employees/contractors, if applicable, the applicant shall
 418 use the average number of employees/contractors per shift, number of shifts per
 419 workday, and number of workdays per year.

420
 421 B. If an applicant is requesting an allocation for this demand component for visitors, the
 422 applicant shall use the annual average number of visitors for the most recent five
 423 years. Alternative methodologies can be used if an applicant presents reasonable
 424 assurance that the methodology is appropriate for the use and that the withdrawal
 425 quantities requested are necessary to supply the proposed need or demand.

426
 427 **CFWI - 2.3.2.3 Landscape Irrigation**

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

430
 431 **CFWI - 2.3.2.4 Other needs**

432
 433 An applicant shall provide reasonable assurance that all “other needs” requested, such as outside
 434 use, air conditioning, and unaccounted uses, meet the conditions for issuance pursuant to Rule
 435 62-41.301, F.A.C.

436
 437 **CFWI - 2.4 Mining and Mining Dewatering Use Type**

438
 439 **CFWI - 2.4.1 Mining and Mining Dewatering Demand Components**

440
 441 The reasonable-beneficial need for a requested allocation must be based on the amount of water
 442 needed to extract subsurface materials or control surface water or groundwater when performing
 443 activities such as excavation or construction as well as moving, handling and processing the
 444 extracted material. Applicants must demonstrate that the quantities applied for relate to
 445 reasonable mining, processing, and mining dewatering needs.

446
 447 To demonstrate the quantities applied for are reasonable, an applicant must identify the quantities
 448 needed for each demand component. Typically, requested quantities are based on historical
 449 information or comparable uses or projected future use, where available. Applicants shall request
 450 quantities in gallons per day (gpd) or million gallons per day (mgd) for each demand component.

451
 452 Applicants for mining and mining dewatering use must identify the demand for the following
 453 demand components:

454
 455 A. Mining, mining dewatering, and processing
 456

DRAFT August 12, 2020

- 457 B. Office and personnel use, including water for personal needs such as drinking,
 458 bathing, cooking, sanitation, or cleaning.
 459 C. Landscaping and irrigation.
 460 D. Other needs includes the total requested withdrawal quantity minus the quantity for
 461 the demand components identified above. All “other needs” shall be specified in the
 462 application along with supporting documentation to meet the conditions for issuance
 463 pursuant to 62-41.301, F.A.C.
 464

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

466 The applicant must prepare a water balance to calculate the proposed demands. The water
 467 balance shall include all four demand components, if applicable, listed in 2.4.1, above. The water
 468 balance may be in the form of a spreadsheet or flow diagram indicating all sources and losses.
 469 The water balance must identify the demand for each of the following components as applicable:
 470

- 471 A. Mining, mining dewatering, and processing
- 472 1. Provide a written account of where water is generated and used in the mining
 473 and mining dewatering processes; where and in what quantities water is lost in
 474 the mining and mining dewatering processes; where and in what quantities
 475 water is disposed of or reused in the mining and mining dewatering processes;
 476 and where and in what quantities water is used for processing extracted
 477 materials.
 - 478 i. All water sources that input to activity must be listed – e.g.,
 479 groundwater from wells, groundwater from water table dewatering or
 480 drainage for mining, surface water withdrawals, collected rainfall,
 481 recycled or reused water.
 - 482 ii. The amount of water used from all sources should equal the sum of the
 483 water used, lost and disposed.
 - 484 iii. If processing of materials is associated with the mining or mining
 485 dewatering, a water balance diagram combining these activities is
 486 preferred over separate water balances for each activity.
 - 487 2. Uses and losses must be listed including as applicable:
 - 488 i. Water used to wash the product.
 - 489 ii. Evaporation from settling/recirculation ponds.
 - 490 iii. Water retained and shipped with the product (product moisture).
 - 491 iv. Water used to separate or beneficiate the product.
 - 492 v. Water used to transport the product (slurry).
 - 493 3. The final disposal of all water then must be identified. Disposals include:
 - 494 i. Off-site discharges.
 - 495 ii. Disposal/recharge through percolation ponds.
 - 496 iii. Disposal by spray irrigation.
 - 497 iv. Water entrained in materials.
 - 498 v. Recycling of wastewater.

499 The amount of water withdrawn should equal the sum of the system uses, losses and
 500 disposals.
 501

DRAFT August 12, 2020

- 502 B. Personal water use is water needed for personal use such as restroom facilities and for
503 drinking, bathing, cooking, sanitation, and cleaning office areas. Demands for
504 personal use shall be calculated using section 2.3.2.2 above.
505
- 506 C. Landscaping and irrigation. Demands for landscaping and irrigation will be calculated
507 as set forth in 2.5.1.1.A.
508
- 509 D. Other needs. An applicant shall provide assurance that all “other needs” requested,
510 such as outside use, air conditioning, and unaccounted uses, meet the conditions for
511 issuance pursuant to 62-41.301, F.A.C.
512

513 CFWI - 2.5 Agricultural Use Type

514 Applicants must demonstrate that the quantities applied for relate to one or more of the following
515 use categories: irrigation, livestock, aquaculture, and other agricultural water needs.
516

517 CFWI - 2.5.1 Agricultural Irrigation

518 For agricultural irrigation, the applicant must demonstrate that an irrigation system exists or is
519 proposed and capable of delivering the requested amount. For proposed systems, a schedule for
520 implementation of the irrigation system is required.
521

522 Within ~~Southern Water Use Caution Area (SWUCA)~~, sections 2.1, 2.4.3.1.1 and 2.4.3.1.7 of the
523 SWFWMD Applicant’s Handbook shall be used to determine an applicant’s demand and
524 allocation. Within the Dover/Plant City ~~Water Use Caution Area (DPCWUCA)~~WUCA, sections
525 2.1 and 3.9.4 of the SWFWMD Applicant’s Handbook shall be used to determine an applicant’s
526 demand and allocation.
527

528 A. The four major categories of agricultural irrigation-related water use are:
529

- 530
- 531 1. Supplemental Irrigation: The supplemental irrigation requirement for
532 agricultural uses is calculated as specified in Subsection 2.5.1.1. For improved
533 pasture irrigation, see Section 2.5.1.2.
534
 - 535 2. Field Preparation, Crop Establishment, And Heat Stress: If an allocation is
536 requested for the purposes of field preparation, crop establishment, and heat
537 stress, quantities shall be calculated for water demands above the
538 supplemental irrigation crop requirements. These quantities will be based on a
539 demonstrated demand, such as plant cooling and soil saturation for bed
540 preparation.
541 Quantities for heat stress protection shall be calculated based on the number of
542 acres to be protected, the crop grown, the irrigation system used, and the hours
543 of crop protection required. If the number of hours is not known, the peak
544 quantity will be based on the best available data for crop protection recurrence
545 and duration. The applicant may propose to use alternative factors if the
546 factors described above are not applicable due to issues associated with the
547

DRAFT August 12, 2020

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 24-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.

B. Uses and Irrigation Allocation Rate

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

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

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

CFWI - 2.5.1.1 Irrigation Demand Calculation

DRAFT August 12, 2020

592
593 The reasonable demand for supplemental irrigation will be calculated as described in this section.
594 Factors in determining the supplemental irrigation requirement include crop type, planted
595 acreage, irrigation method, soil type, planting dates, precipitation, evapotranspiration, and
596 duration of growing season.

597
598 A. Supplemental Irrigation

599
600 The supplemental irrigation requirement is the amount of water needed for a particular
601 crop beyond the amount of water provided by effective rainfall.

602
603 In determining reasonable need, the District will determine the supplemental irrigation
604 requirements for both drought and average annual conditions. Drought allocation will be
605 considered the amount of supplemental irrigation required during a two in ten year
606 rainfall condition. Average annual allocation will be considered the amount of
607 supplemental irrigation required during a five in ten year rainfall condition. This quantity
608 does not include crop protection.

609
610 The method used to develop supplemental irrigation requirements must provide
611 reasonable assurance supporting the requested quantity for the supplemental irrigation
612 requirement for its crop type(s). The applicant must demonstrate that the proposed
613 method accurately determines supplemental irrigation water use needs based on site-
614 specific conditions, exemplified by the type of crop grown, the irrigation method
615 employed, the season in which the water is used to grow the crop, general crop location
616 including soil type, historical pumping data of permittee, historical pumping data of a
617 particular crop type, and associated atmospheric conditions. Typically reliable sources of
618 information and supplemental irrigation models include UF IFAS, NRCS-USDA,
619 FDACS and Water Management District publications as well as CFWI AFSIRS,
620 GWRAPPS, AGMOD, and the Modified Blaney Criddle Method. Individual Water
621 Management District Supplemental Applicant’s Handbook Design Aids and associated
622 supplemental irrigation requirement tools may also be used to determine supplemental
623 irrigation requirements for all crop types.

624
625 B. System Efficiency

626
627 Applicants shall use efficient practices for the irrigation system selected. Accepted
628 system efficiency is provided in Table 2-1. The applicant may use an alternative method
629 to determine system efficiency if the system efficiencies in Table 2-1 are not applicable
630 due to factors associated with the particular irrigation system. Only factors that are
631 permanent and maintainable for the entire permit duration may be considered. In such a
632 case, the applicant must provide reasonable assurance supporting an alternative system
633 efficiency. Typical reliable sources of information include information provided by the
634 manufacturer of the system or UF IFAS, NRCS-USDA and FDACS publications.

635
636 **Table 2-1. Irrigation Application Efficiencies Used to Determine the Supplemental**
637 **Irrigation Requirement**

DRAFT August 12, 2020

638

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-irrigation, Semi-closed Flow-Through, Flood/Seepage, Seepage – Existing Citrus, Hay, Pasture, Seepage – With Plastic, Seepage – Without Plastic, Crown Flood Seepage	50%	2.00

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

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640
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646
647
648

C. 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.

DRAFT August 12, 2020

649 The accepted irrigation system efficiency for citrus projects is 80% or higher. The
 650 allocation shall reflect this system efficiency even if the system itself has a lower
 651 efficiency.
 652
 653

654 D. Container Nursery System Efficiency

655 The optimal irrigation methodology for nursery container projects is a micro-irrigation
 656 system, overspray irrigation tailwater recovery system, or other specific design elements
 657 capable achieving the equivalent efficiency of overhead irrigation system to the extent
 658 economically, environmentally, and technically feasible. A different efficiency standard
 659 may apply on a case by case basis taking into consideration the container sizes and
 660 quantity thereof and when all irrigation system optimization efforts have been applied.
 661
 662

663 **CFWI - 2.5.1.2 Improved Pasture Irrigation**

664 For improved pasture irrigation, the applicant shall demonstrate that an irrigation system exists
 665 or is proposed and is capable of delivering the requested amount. For proposed systems, a
 666 schedule for implementation of the irrigation system is required. The applicant shall provide
 667 reasonable assurance of the amount of improved pasture acreage reasonably expected to be
 668 irrigated in any given growing season as the basis for the net irrigated acreage. In determining
 669 the reasonable irrigation allocation for improved pasture, the following requirements shall apply:
 670

671
 672 A. Overhead sprinkler irrigation: The allocation will be based on the number of acres of
 673 pasture grass that will be irrigated, and the irrigation equipment efficiency associated
 674 with overhead sprinklers (Table 2-1).
 675

676 B. Subirrigation: The allocation will be based on the amount of water needed to maintain
 677 water levels of the irrigation canals that comprise the water delivery system. The
 678 applicant shall calculate the demands based on the number of acres of pasture grass
 679 that will be irrigated and supplemental irrigation demands as described in section
 680 2.5.1.1 The irrigated acreage shall be determined from the extent to which the water
 681 is distributed to the root zone of the pasture grass.
 682

683 Irrigation systems constructed with lateral ditch spacing of 400 feet or less are considered to
 684 provide irrigation to all the acreage incorporated within the system. For irrigation systems where
 685 lateral ditch spacing is greater than 400 feet, the applicant must provide site specific information
 686 that supports adequate water table management required for the irrigation allocation requested.
 687 For an existing system, site specific information is not required and are considered to have
 688 adequate water table management required for the irrigation allocation requested unless
 689 documentation demonstrates otherwise. For irrigation systems that consist of main ditches
 690 without laterals, or laterals with a spacing greater than is sufficient to provide irrigation to all the
 691 pasture grass, the irrigated acreage will be calculated by multiplying the length of the ditches by
 692 the effective irrigation area as determined by soil and pasture grass type. If the above lateral
 693 ditch spacing is not applicable due to soil and pasture grass type, the applicant must provide

DRAFT August 12, 2020

694 reasonable assurance supporting lateral ditch spacing greater than 400 feet. Applications to
 695 irrigate unimproved pasture will not be approved.

696
 697 **CFWI - 2.5.2 Livestock**

698 The reasonable demand for livestock use will be derived by multiplying the estimated total
 699 number of animals by gallons needed per day per animal. The livestock water use will be
 700 determined using the gallons needed per day per animal identified in Table 2-2.
 701

702 **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

704 If the above livestock water use values are not applicable due to the proposed livestock
 705 operations, or for livestock other than those listed above, the applicant must provide reasonable
 706 assurance supporting its values (gpd/animal) for its livestock. Typically reliable sources of
 707 information include UF IFAS, NRCS-USDA or FDACS publications.
 708

709
 710 **CFWI - 2.5.3 Aquaculture**

711 The reasonable demand for aquaculture is determined by the number and volume of ponds and
 712 tanks and their filling and recirculation requirements and other factors that may contribute to
 713 maintaining necessary water levels or water quality. In instances where there are discernable
 714 water sources and losses, applicants should rely on a water balance method for demonstrating
 715 reasonable demand. All water sources that input to the activity must be listed in the water
 716 balance. The amount of water used from all sources should equal the sum of the water used, lost,
 717 and disposed.
 718

719
 720 **CFWI - 2.5.4 Other Agricultural Water Demands**

721 The reasonable demand for other agricultural uses, such as crop washing and processing for
 722 distribution, cooling of animals or product, spray tanks, non-potable shop needs, or disease
 723 control spray stations, is determined based on supporting information provided by the applicant.
 724 The applicant must provide reasonable assurance supporting the requested allocation in order to
 725

DRAFT August 12, 2020

726 demonstrate that it is a reasonable-beneficial use. Typically reliable sources of information
727 include UF IFAS, NRCS-USDA or FDACS publications.

728

729 **CFWI – 2.5.5 Irrigation Pumpage Compliance**

730

731 If the Permittee exceeds the allocated supplemental irrigation quantities, upon request by the
732 District, the Permittee must submit a report that includes reasons why the allocated quantities
733 were exceeded, measures taken to meet the allocated quantities, and a plan to bring the permit
734 into compliance. The District will evaluate information submitted by Permittees who exceed
735 their allocated quantities to determine whether there is good cause for the exceedance. Permittees
736 may justify an exceedance by documenting unusual water needs, such as weather conditions
737 creating greater irrigation needs than normal. However, even with such documentation, phased
738 reductions in water use will be required unless the District determines that water usage was
739 reasonable under the circumstances reported and that further reductions are not feasible. The
740 permittee must seek a permit modification if it desires to implement any increase in allocated
741 quantities.

742

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

744

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

749

750 The reasonable need for a recreational or landscape irrigation use is based on the amount of
751 water needed to supply the supplemental irrigation requirements of the type of turf or landscape
752 grown. In determining reasonable need, the District will determine the supplemental irrigation
753 requirements for both drought and average annual conditions. Drought allocation will be
754 considered the amount of supplemental irrigation required during a two in ten year rainfall
755 condition. Average annual allocation will be considered the amount of supplemental irrigation
756 required during a five in ten year rainfall condition.

757

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

760

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

762

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

764

765 As part of an application for renewal of an existing ~~consumptive-use permit~~, a modification of
766 an existing ~~consumptive-use permit~~ with an increased allocation, or an application for a new
767 ~~consumptive-use permit~~, the permit applicant shall provide an annual conservation goal that is
768 consistent with the ~~Central Florida Water Initiative CFWI Regional Water Supply Plan~~
769 ~~(RWSP)~~. These annual conservation goal requirements are separate and distinct from any other
770 conservation requirements of the permit and do not supersede any sections of the Districts

DRAFT August 12, 2020

771 applicants' handbooks, except that section 2.7.2 of the ~~CFWI~~ Supplemental Applicant's
 772 Handbook shall supersede sections 2.4.8.2, 4.4.4.2, and 4.4.5 of the SWFWMD Applicant's
 773 Handbook. Nonetheless, annual conservation goals should not be inconsistent with the
 774 conservation requirements of ~~the permit~~ consumptive use permit (CUP). An annual
 775 conservation goal is consistent with the CFWI ~~regional water supply plan~~ RWSP if it includes
 776 activities or actions that prevent or reduce unnecessary uses and improve and/or maintain already
 777 achieved efficiencies of use. For all use types except public supply permits with an annual
 778 average daily quantity of 100,000 gpd or greater, the annual conservation goal shall be met by
 779 developing and implementing an Annual Conservation Goal Implementation Plan (ACGIP) as
 780 set forth in section 2.7.1. The annual conservation goal for public supply permittees with an
 781 annual average daily quantity of 100,000 gpd or greater is set forth in section ~~2.7.2.7.3~~, except
 782 that for public water supply permittees located within the SWUCA and Dover/Plant City
 783 WUCA, the annual conservation goal is set forth in sections 2.3.7 and 2.4.8.4, inclusive of all
 784 subparts, of SWFWMD's Applicant's Handbook.

785
 786 Agricultural users shall meet the requirements of an annual conservation goal by developing and
 787 implementing an ~~Annual Conservation Goal Implementation Plan (ACGIP)~~ as set forth in section
 788 2.7.1. and report in accordance with that section. In lieu of an ACGIP, agricultural users with a
 789 total allocation less than 100,000 gallons per day may enroll in an adopted FDACS BMP
 790 program applicable to their commodity and implement the BMPs annually. Agricultural users
 791 that utilize the FDACS BMPs as their annual conservation goal shall maintain documentation
 792 supporting the enrollment and implementation of selected BMPs. The permittee shall report to
 793 the District its progress toward achieving the conservation goals in any compliance report
 794 required pursuant to Section 373.236, F.S., or, if a compliance report is not required pursuant to
 795 Section 373.236, F.S., as part of any application to renew or modify the permit.

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

798
 799 An ~~Annual Conservation Goal Implementation Plan (ACGIP)~~ must be developed and submitted
 800 as part of the application for a renewal of an existing ~~consumptive use permit~~ consumptive use permit, a modification
 801 of an existing ~~consumptive use permit~~ consumptive use permit, with an increased allocation, or an application for a
 802 new ~~consumptive use permit~~ consumptive use permit. The ACGIP must contain annual conservation goals for at least
 803 five years (current year plus four additional years) or through the end of the permit, whichever is
 804 shorter; identify the person(s) or positions(s) responsible for overseeing implementation of the
 805 goal(s); and contain an annual record of whether each listed annual goal was met. An ACGIP is
 806 iterative and may be modified by the permittee without the need to modify the permit; however,
 807 all versions of the ACGIP must be kept up to date, and must be signed and dated and maintained
 808 at the permittee's principal place of business through the term of the permit (inclusive of any
 809 extension).

810
 811 The permittee shall report to the District its progress toward achieving the conservation goals
 812 within the ACGIP in any compliance report required pursuant to Section 373.236, F.S., or, if a
 813 compliance report is not required pursuant to Section 373.236, F.S., as part of any application to
 814 renew or modify the permit.
 815

DRAFT August 12, 2020

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

824
 825 In its sole discretion, an applicant may incorporate the ACGIP as part of the conservation plan
 826 within its permitCUP. In such a case, any changes to the ACGIP would require modification of
 827 the permit.

828
 829 The annual conservation goals in an ACGIP must include either of the following:

830
 831 A. Conservation Best Management Practices (BMPs) and conservation programs. The
 832 applicant/permittee shall list any applicable practice(s), measure(s), program(s),
 833 device replacement(s), or other actions that improve or maintain expected water use
 834 efficiency that it intends to implement for each year included in the ACGIP. The
 835 applicant shall propose to maintain and operate installed water conserving designs or
 836 features as part of this approach.

837
 838 For each conservation BMP and conservation program listed, the applicant must
 839 include a brief statement of the applicant's implementation strategy. Examples of
 840 brief statements include, but need not be limited to, FDACS BMP program being
 841 implemented, geographic target areas, use sectors targeting (residential, commercial,
 842 irrigation customers, etc.), media strategies, and other similar factors in developing a
 843 conservation BMP. If devices are proposed as a BMP (such as rain sensors, toilet
 844 rebates, etc.), the number expected to be funded should be included as part of the
 845 strategy.

846
 847 For each conservation BMP and conservation program, the applicant must list
 848 components of the permittee's implementation strategy for the BMP or program. The
 849 applicant shall include an estimated water savings, where applicable, based on best
 850 available information from appropriate data sources.

851
 852 B. Other metrics. Alternatively, the applicant/permittee shall identify other annual
 853 measurable conservation benefits that demonstrate an improvement or maintenance of
 854 the applicant/permittee's projected water use efficiency due to the
 855 applicant/permittee's conservation program. This may include benefits associated
 856 with facility or manufacturing designs that improve or maintain the permittee's water
 857 use efficiency.

858
 859 An example ACGIP template is provided as Design Aid 2. This template is not incorporated by
 860 reference in Chapter 62-41, F.A.C., and applicants are not required to use it.

861

DRAFT August 12, 2020

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

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

866 Total Residential Water Use (or Water Use by Dwelling Units) divided by Service Area
867 Residential Population.

868 A public supply permittee with an annual average daily quantity of 100,000 gpd or greater shall
869 track its progress toward achieving the end-of-permit residential per capita water as a distinct
870 metric within an annual report outlined in Section 2.7.3.1.A. All other public supply permittees
871 shall address the residential per capita water use goal in their ACGIP.
872

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

874
875 Public supply permittees with an annual average daily quantity of 100,000 gpd or greater shall
876 meet the requirements of the annual conservation goal by demonstrating yearly progress toward
877 an end-of-permit per capita daily water use rate of no greater than 100 gpd. The per capita daily
878 water use rate may be calculated using one of the following progressive formulas:
879

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

881
882 B. Adjusted Gross Per Capita Water Use Rate

$$883 \frac{(WD + IM - EX - TL - SU - GC - EM)}{RP}$$

884
885
886 Where:

- 887 • WD, IM, EX, and RP are defined in Section 2.2.3.1., and TL is defined in
888 Section 2.2.1.
- 889 • SU = Significant uses associated with an Industrial/Commercial facility or
890 other non-residential, non-governmental facility that is supplied with
891 25,000 gpd or more of water on an annual average basis (calculated for a
892 calendar year), or whose water use comprises more than 5% of the utility's
893 annual water use (calculated for a calendar year). If a facility consists of
894 one or more buildings under common ownership, maintenance, and
895 management control at a single site or campus, individual components of
896 the facility may be combined to meet the significant use threshold.
897 However, facilities that are not related under common ownership,
898 maintenance, and management control shall not be combined to meet the
899 significant use threshold.
- 900 • GC = Separately metered golf course irrigation quantities from ground
901 water, surface water, reclaimed water or stormwater provided to golf
902 courses inside the service area. The quantities provided may be deducted
903 only if they are included in the permitted quantities for the service area
904 and reported as WD in the Annual Report described below. The GC

DRAFT August 12, 2020

905 withdrawal quantities deducted shall not exceed those actually provided,
906 or those that would be permitted for use, whichever is less.

- 907 • EM = Quantities permitted and used for environmental mitigation as a
908 condition of the permit, provided that such quantities are separately
909 metered and reported as WD in the Annual Report described below.

910 C. Compliance Per Capita Water Use Rate

$$911 \frac{(WD + IM - EX - TL - SU - GC - EM - ST - RW)}{912 RP}$$

913 Where:

- 914 • WD, IM, EX, TL, SU, GC, EM, and RP are defined above.
- 915 • ST = Separately metered and reported stormwater quantities captured by
916 the Permittee that are included in the utility's permitted quantities for uses
917 inside the service area other than for golf course irrigation. The
918 stormwater withdrawal quantities deducted shall not exceed the quantities
919 actually provided, or those that would be permitted for the use by the
920 District, whichever is less. Stormwater quantities deducted as GC use
921 above may not be included in this deduction for stormwater. The surface
922 withdrawal points from the stormwater catchments shall be permitted on
923 the provider's water use permit and must be reported as WD in the Annual
924 Report described below to be deducted. The stormwater deduction shall
925 not be taken where the quality of the ground water source to be permitted
926 or replaced is of lower water quality but is suitable for the intended use,
927 unless the use of the stormwater in such cases reduces adverse impact to
928 the water resources.
- 929 • RW = Standard deduction of 50%, or if the Applicant chooses, up to the
930 limit of the actual amount of reclaimed water that has received at least
931 secondary treatment and is provided to directly replace an existing or
932 potential use of higher quality water. To be deducted, it must first be
933 provided to any metered use located outside the utility potable service area
934 boundary and then to any single-site separately-metered use within the
935 utility potable service area boundary that uses 25,000 gpd or more on an
936 annual average basis during the per capita reporting period, except that no
937 deduction shall be taken for quantities used for:
 - 938 ○ Residential irrigation (single family, multi-family or mobile
939 home), or
 - 940 ○ Common area irrigation, including entranceways, parking lots,
941 irrigated areas within roadway rights-of-ways (e.g., road and
942 sidewalk medians), open spaces, community areas, and public
943 parks.

944 This deduction shall not be taken if the reclaimed water replaces existing
945 demand on the Permittee's potable system. Any deduction over the
946 standard 50% reclaimed water per capita credit must be substantiated with
947
948
949

DRAFT August 12, 2020

950 verifiable and corresponding reductions in the supplied WUP pumpage
951 (all deductions subject to District approval).

952
953 **CFWI - 2.7.3.1 Compliance with Per Capita Daily Water Use Rate**

954 A. Annual Report

955
956 For all public supply permits with an annual average daily quantity of 100,000 gpd or
957 greater, compliance with the Residential Per Capita Water Use Goal and the Public
958 Supply Annual Conservation Goal shall be monitored via an Annual Report that each
959 Permittee must submit to the district by April 1 of each year.

960
961 For the Public Supply Annual Conservation Goal, quantities included in the
962 calculation of Gross Per Capita Water Use, Adjusted Per Capita Water Use, and
963 Compliance Per Capita Water Use in Section 2.7.3 shall be documented and reported
964 by the Permittee in the Annual Report for the reporting period included in the permit
965 as follows:

- 966
967 1. WD (Withdrawals) – Documentation shall consist of pumpage records in
968 annual average gpd as metered at the well head(s), wellfield departure point,
969 surface water intake facility, stormwater facility or reclaimed water lines. The
970 pumpage records shall be totalized for a total withdrawal quantity for the
971 reporting period.
972
973 2. IM (Imported Water) – Documentation shall consist of a summary report of
974 the water purchased or otherwise obtained in bulk from another utility for
975 potable use in the service area in annual average gpd, and the supplier's WUP
976 number(s), or consumptive use permit number if the supplier is in another
977 water management district. Quantities shall be determined at the departure
978 point from the supplier's service area. Irrigation water imported into the
979 service area from another utility must be documented separately according to
980 the use type (for example, commercial, residential, recreational/aesthetic).
981
982 3. EX (Exported Water) – Documentation shall consist of annual average gpd
983 transferred in bulk quantities to another utility, and the recipient's WUP
984 number(s), or permit number if the recipient is in another water management
985 district. Quantities shall be determined at the departure point from the
986 exporting Permittee's service area. Water supplied to wholesale public supply
987 customers that are not required to obtain a Wholesale Public Supply Water
988 Use Permit that are included in this category shall be identified by customer
989 name and quantity.
990
991 4. TL (Treatment Losses) – Documentation shall consist of the annual average
992 gpd lost in routine treatment for potability. Examples of treatment losses types
993 are desalination reject, membrane cleaning and sand filtration backwash.
994 Treatment losses are calculated as raw water into the plant minus treated water

DRAFT August 12, 2020

995 out of the plant. Treated water volume delivered to the distribution system
 996 includes water from withdrawals plus imports, minus exports, minus treatment
 997 losses. Treatment loss and line flushing quantities shall be separately
 998 calculated and documented.
 999

- 1000 5. SU (Significant Uses) – Documentation shall consist of:
 1001 i. the type of Industrial/Commercial use.
 1002 ii. the customer's name and mailing address.
 1003 iii. the customer's contact person's name, email address and telephone
 1004 number.
 1005 iv. annual average daily quantities provided.
 1006 v. supporting meter readings or bills.
 1007 vi. a conservation plan that describes the Permittee's specific water
 1008 conservation programs for significant users.
 1009 vii. a water audit that documents the type(s) of water uses that occur
 1010 within the significant user's facility, quantities used per type, and leak
 1011 detection and other water conservation activities undertaken by the
 1012 user.
 1013
- 1014 6. GC (Golf Courses) – Documentation shall include a report on the permitted
 1015 and separately metered quantities from ground water, surface water, reclaimed
 1016 and stormwater sources used for golf course irrigation. To deduct these
 1017 quantities, the quantities must be authorized for golf course irrigation in the
 1018 permit for which per capita is being calculated.
 1019
- 1020 7. EM (Environmental Mitigation) – Documentation shall include a report on the
 1021 permitted and used quantities for the reporting period in gpd for
 1022 environmental mitigation as required by the permit for which per capita is
 1023 being calculated.
 1024
- 1025 8. ST (Stormwater) – Documentation shall include a report on the separately
 1026 metered stormwater quantities generated and used in the service area that are
 1027 included in the utility's permit for the service area for uses other than golf
 1028 course irrigation. If the stormwater quantities are not reported as WD, they
 1029 may not be deducted. The report shall include the number of connections by
 1030 use type (e.g., residential, commercial, recreation aesthetic, etc.)
 1031
- 1032 9. RW (Reclaimed Water Credit) – Documentation shall include a report on
 1033 separately metered reclaimed water quantities generated by:
 1034 i. Name of the customer;
 1035 ii. Account number;
 1036 iii. Customer service address;
 1037 iv. Quantities provided during the reporting period in average gpd;
 1038 v. Claimed deduction during the reporting period in average gpd;
 1039 vi. Meter size;

DRAFT August 12, 2020

- 1040 vii. Whether the use is inside or outside of the potable service area
 1041 boundary; and
 1042 viii. Description of the use (may not include residential or common area
 1043 irrigation as described in Section 2.7.3).
 1044

1045 An example Annual Report template is provided as Design Aid 3. This template is not
 1046 incorporated by reference in Chapter 62-41, F.A.C., and applicants are not required to use
 1047 it.
 1048

1049 B. Documentation of Per Capita Daily Water Use Calculations for the Annual Report

1050 If the Permittee achieves the 100 gpd per capita water use rate goal using any of the
 1051 methods set forth in Section 2.7.3, they will be deemed in compliance with the per capita
 1052 requirement.

1053 The District will evaluate the information submitted by Permittees, including those
 1054 operating under a Goal-based Water Conservation Plan, who have a Compliance Per
 1055 Capita Water Use Rate greater than 100 gpd. Permittees may justify lack of achievement
 1056 by documenting any unusual water needs, such as unusual plant establishment needs.
 1057 However, justification for non-compliance does not constitute a waiver of the District's
 1058 authority to enforce the terms and conditions of the Permit. Phased reductions in water
 1059 use shall be required unless the applicant demonstrates that water usage was reasonable
 1060 under the circumstances reported and that further reductions are not technically,
 1061 environmentally, or economically feasible, or a variance has been granted from the Public
 1062 Supply Annual Conservation Goal. For such Permittees, individual water conservation
 1063 requirements shall be developed on a case-by-case basis.

1064 C. Phase-In Where a Per Capita Daily Water Use Rate of 100 GPD is Exceeded as of
 1065 December 31, 2023

1066 Existing Permittees with a three-year Compliance Per Capita Water Use Rate greater than
 1067 100 gpd as of December 31, 2023 shall achieve a Compliance Per Capita Water Use Rate
 1068 of 100 gpd as set forth below, or earlier if the Permittee deems it feasible. The three-year
 1069 Compliance Per Capita Water Use Rate shall be calculated as the average of the
 1070 Compliance Per Capita Water Use Rates documented in the Annual Report for 2023 and
 1071 the two years prior.

- 1072 1. By July 1, 2024, the Permittee shall submit to the district a plan that identifies
 1073 conservation or water supply project(s) that will be developed and
 1074 implemented to achieve the Compliance Per Capita Water Use Rate of 100
 1075 gpd.
 1076 2. By December 31, 2033, the Permittee shall achieve a per capita rate not
 1077 greater than the midpoint between the three-year average Compliance Per
 1078 Capita Water Use Rate calculated as of 2023 and 100 gpd.
 1079
 1080

DRAFT August 12, 2020

- 1081 3. By December 31, 2043, the Permittee shall achieve a Compliance Per Capita
- 1082 Water Use Rate that is not greater than 100 gpd.
- 1083
- 1084 4. The timeframes set forth in this section may be adjusted downward
- 1085 proportional to the permit duration for permits less than 20 years.
- 1086
- 1087 5. A Permittee that does not achieve a Compliance Per Capita Water Use Rate
- 1088 that is less than or equal to 100 gpd by December 31, 2043, may submit
- 1089 documentation to the District that demonstrates that water usage was
- 1090 reasonable under the circumstances reported and that further reductions are
- 1091 not technically, environmentally or economically feasible, or a variance has
- 1092 been granted from the Public Supply Annual Conservation Goal.
- 1093

CFWI - 2.8 Allocations from the Upper Floridan Aquifer

The following requirements shall apply to all applicants proposing to withdraw water from the Upper Floridan aquifer. For purposes of this section 2.8, withdrawal from the Floridan aquifer above the uppermost middle-confining unit are considered coming from the Upper Floridan aquifer and withdrawals from the Floridan aquifer below the middle confining unit are considered coming from the Lower Floridan aquifer Withdrawals from wells that are open to both the Upper and Lower Floridan aquifers shall be treated as an Upper Floridan aquifer withdrawal and will also be subject to these requirements.

CFWI - 2.8.1 Agricultural, Recreational, or Landscape Irrigation

Self-supplied agricultural, recreational, or landscape irrigation uses whose allocation is based on the amount of water needed to supply the supplemental irrigation requirements of the type of crop, turf or landscape grown are limited to the quantity of water from the Upper Floridan aquifer as calculated in Sections 2.5 and 2.6.

CFWI - 2.8.2 All Other Use Types

For all other use types, an applicant shall be restricted to a maximum allocation from the Upper Floridan aquifer in an amount no greater than its Demonstrated 2025 Demand. Any reductions in current allocations necessary to meet this limitation shall be made from a permittee’s current allocation from the Upper Floridan aquifer. Allocations for withdrawals from the Lower Floridan aquifer or alternative water supplies will not be reduced. Allocations for withdrawals from alternative water supplies will be considered a source to meet demands beyond an applicants Demonstrated 2025 Demand. Permit durations shall not be affected for allocations limited to the Demonstrated 2025 Demand.

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

Commented [Ed11]: The PRWC would recommend deletion of this section. If the Department does not accept this suggestion, the PRWC would propose inclusion of the proposed amendments.

DRAFT August 12, 2020

1126 In determining allocations from the Upper Floridan aquifer, the limitations within this subsection
1127 shall not restrict the District's consideration of any conservation, water resource or water supply
1128 development projects completed by an applicant or permittee after December 31, 2015.

1129

1130 **CFWI - 2.8.2.1 Exceptions:**

1131 The restrictions in subsections 2.8.1 and 2.8.2 on groundwater allocations shall not limit permitted
1132 groundwater withdrawals from:

- 1133 A. Aquifer storage and recovery wells that receive only surface water, stormwater, or
1134 reclaimed water, when the volume of water withdrawn does not exceed the volume of
1135 water injected; or
1136
1137 B. An injection/recovery wellfield that injects surface water, stormwater, or reclaimed
1138 water that is not required under District rules to be provided to other uses, through
1139 one or more wells for storage within an aquifer zone and subsequently recovers it
1140 through wells from the same aquifer zone and in the same wellfield, when the volume
1141 of water withdrawn does not exceed the volume of water injected; or
1142
1143 C. A recharge/recovery project that receives only surface water, stormwater, or
1144 reclaimed water that is not provided to users in accordance with District rules, when
1145 the volume of water recovered does not exceed the volume of water recharged, and
1146 the drawdown due to recovery of water from the Upper Floridan aquifer will be offset
1147 in the:
1148 1. surficial aquifer by recharge from the project, and
1149 2. Floridan aquifer by recharge from the project, except immediately adjacent to
1150 the recovery well(s).

1151 D. A Conjunctive Use, where the reduction of an allocation from the Upper Floridan
1152 aquifer would negatively impact its ability to withdraw water from multiple sources
1153 so as meet its reasonable water demands, while reducing potential adverse effects
1154 associated with withdrawals from the Upper Floridan aquifer.

1155

1156 **CFWI - 2.8.3 Allocations from the Upper Floridan Aquifer Above the Demonstrated 2025**
1157 **Demand**

1158

1159 By December 31, 2023, any ~~permittee or~~ applicant for a new use, a modification with an increased
1160 Upper Floridan aquifer allocation or renewal with seeking a permit duration extending beyond 2025
1161 whose projected water demand will exceed its Demonstrated 2025 Demand shall submit a plan to
1162 the District describing how the remainder of their demand will be met (e.g., impact offsets,
1163 substitution credits, alternative water supply development). The plan shall propose projects and
1164 identify a schedule for implementation. Annual updates detailing progress shall be provided to the
1165 District. The annual status reports shall include work completed to date, expenditures, and any
1166 anticipated changes in timelines.

1167 An applicant may obtain an allocation for additional water from the Upper Floridan aquifer over
1168 the applicant's Demonstrated 2025 Demand, as identified below:
1169

DRAFT August 12, 2020

1170 **CFWI - 2.8.3.1 Temporary Allocations**

1171

1172 A “temporary allocation” is water temporarily required to meet the applicant’s reasonable
1173 demands while implementing an offset (see subsection 2.8.3.2 below), a substitution credit or
1174 land use transition (see subsection 2.8.3.3, below), or an alternative water supply (See subsection
1175 2.8.3.4, below). Temporary allocations are not available to new uses of the Upper Floridan
1176 aquifer. The permit will be conditioned with dates and milestones for development of the
1177 alternative water supply or offset. A temporary allocation shall be reduced to be consistent with
1178 this subsection when the alternative source is projected to be available, consistent with permit
1179 conditions.

1180

1181 The permit conditions governing the quantity and duration for the temporary allocation shall be
1182 based on expected due diligence of the applicant, as determined by applying the factors in A
1183 through C, below, to implement the project in an expeditious manner; ~~not to exceed five years~~
1184 ~~unless specifically approved by the Governing Board~~. The duration shall be determined
1185 considering the following factors:

1186

1187 A. The projected time period for design, receipt of necessary authorizations, and
1188 construction of the alternative supply or offset;

1189

1190 B. The timing of demands to be met from the alternative supply or offset;

1191

1192 C. The phased construction of alternative water supply or offset; or

1193

1194 ~~C~~.D. Other factors that indicate the reasonable period required to develop the
1195 alternative supply or offset.

1196

1197 **CFWI - 2.8.3.2 Implementation of Offsets**

1198

1199 The applicant may propose the implementation of offsets. In the applicant selects this option, the
1200 applicant shall propose, identify a schedule for implementation, and construct and operate
1201 adequate offsets to eliminate the projected increase in volume of withdrawals from the Upper
1202 Floridan aquifer beyond the applicant’s Demonstrated 2025 Demand. An offset will be approved
1203 if the applicant’s modeling shows the offset prevents an increase in volume of groundwater
1204 withdrawn from the Upper Floridan aquifer over the applicant’s Demonstrated 2025 Demand.
1205 Offsets include the use of impact offsets [Subsection 62-40.416(7), F.A.C.], recharge systems
1206 and seepage barriers.

1207

1208 **CFWI - 2.8.3.3 Substitution Credits or Land Use Transitions**

1209

1210 The applicant may propose the implementation of substitution credits or retirement of existing
1211 consumptive use permits. If the applicant selects this option, the applicant shall identify
1212 terminated or reduced CUP Upper Floridan aquifer allocations as stated below, which are less
1213 than the terminated or reduced CUP’s Demonstrated 2025 Demand. The request will be
1214 approved if the applicant’s modeling demonstrates that the requested allocation does not cause
1215 an increase in volume of withdrawals from the Upper Florida aquifer over the applicant’s

DRAFT August 12, 2020

1216 Demonstrated 2025 Demand due to the reduction or elimination of other CUPs that existed on
1217 [rule effective date]. The applicant must demonstrate that water is available by providing
1218 documentation of the implementation of a substitution credit [Subsection 62-40.416(8), F.A.C.]
1219 or other modification or retirement of the historic consumptive use permit before issuance of the
1220 proposed permit under this rule.

1221
1222 For agricultural, recreational, and landscape irrigation uses, the retired quantity will be based on
1223 the average annual allocation which is the amount of supplemental irrigation required during a
1224 five in ten rainfall condition. For all other use types, the retired quantity will be based on the
1225 Demonstrated 2025 Demand or actual permitted allocation, whichever is less.

1226 **CFWI - 2.8.4 Development of Alternative Water Supplies**

1228 To meet projected water demands in excess of an applicant's Demonstrated 2025 Demand, the
1229 applicant may propose an alternative water supply. If the applicant selects this option, the
1230 applicant shall propose, identify a schedule for implementation, and construct and operate
1231 alternative water supplies, as defined in Section 373.019(1), F.S. An alternative water supply will
1232 be approved if it is adequate to meet the reasonable increased demands and modeling
1233 demonstrates it will not cause an increased volume of the withdrawal from the Upper Floridan
1234 aquifer over the Demonstrated 2025 Demand.

1235 **CFWI - 2.8.5 Conservation**

1237 In determining the amount of offsets that must be developed as set forth in subsection 2.8.3.2 and
1238 2.8.3.3 above, the applicant may subtract the portion of its demand that the applicant
1239 demonstrates will be satisfied by water conservation.

1240 **CFWI - 2.8.6 New Uses**

1241
1242 In addition to meeting the conditions for issuance, applications for new uses that request the use of
1243 groundwater from the Upper Floridan aquifer for a duration beyond 2025 shall be met from the
1244 implementation of the methods described subsections 2.8.3.2, 2.8.3.3 and 2.8.4.

1245 **CFWI - 2.8.7 Competing Applications**

1247 In adopting these rules, the agencies acknowledge the increasing stress on the water resources in the
1248 CFWI and the mandate of the legislature to foster the development of additional water supplies and
1249 avoid the adverse effects of competition. However, these rules do not abrogate the rights of the
1250 Governing Board or of any other person under Section 373.233, F.S. ~~The CFWI regulatory
1251 framework provides a comprehensive strategy for allocations of available groundwater and
1252 expeditious development of supplemental water supply projects to minimize competition and
1253 thereby provide greater certainty of outcome than competition.~~

1254 **CFWI - 2.9 Use of Lowest Quality Water Source**

1255
1256 Except when the use is for those activities described below, applicants must provide reasonable
1257 assurance that the proposed use (or portion of the proposed use) will be met with the lowest

DRAFT August 12, 2020

1258 quality water source that is suitable for the purpose and is technically, economically, and
1259 environmentally feasible.

1260
1261 The following uses are exempt from this section: human food preparation, direct human
1262 consumption, water used for washing hands during and after harvest activities; water that is
1263 applied in any manner that directly contacts produce during or after harvest activities (for
1264 example, water that is applied to produce for washing or cooling activities, and water that is
1265 applied to harvest crops to prevent dehydration before cooling); and water used to make ice that
1266 directly contacts produce during or after harvest activities.

1267
1268 It is possible that the unavailability of higher quality sources may necessitate the development of
1269 lowest quality sources and appropriate treatment to meet projected demands, including the
1270 demands resulting from the activities listed above. Nothing in this section shall prohibit an
1271 applicant from applying to use a lowest quality water source for those listed above.

1272 **CFWI - 2.9.1 Technical Feasibility**

1273
1274 The applicant shall submit the following information for use in evaluating the technical
1275 feasibility for any lowest quality water source:

- 1276
1277
- 1278 A. Whether a lowest quality water source exists and is available at the project site.
 - 1279 B. Whether the source is offered to or controlled by the applicant;
 - 1280 C. Whether the applicant is capable of accessing the source;
 - 1281 D. Whether the use of the lowest quality source is consistent with existing state or
1282 federal law,
 - 1283 E. The quality, quantity, and reliability of the lowest quality water source,
 - 1284 F. The crop/turf type being irrigated, including factors such as saline sensitivity.
1285 Typically reliable sources of information include the UF IFAS and FDACS
1286 publications; and
 - 1287 G. Any other relevant information, which may include market criteria, including foreign
1288 market requirements, provided by the applicant.

1289
1290 For reclaimed water, the following additional information shall also be used:

- 1291
- 1292 H. The type of reuse system and level of treatment afforded by the applicable reuse
1293 utility.
 - 1294 I. Whether the Department has permitted the reuse facility that will provide the
1295 reclaimed water supply and/or has permitted the use or discharge of the reclaimed
1296 water to the receiving waterbody, if applicable.
 - 1297 J. The water quality parameters of the reclaimed water for the constituents that are
1298 pertinent to the intended use.
 - 1299 K. Whether the proposed use is located within a mandatory reuse zone.
 - 1300 L. Whether the proposed use is in an area that is or may be served with reclaimed water
1301 by a reuse utility within five years from the date of application. To demonstrate this
1302 criterion, the applicant shall provide written documentation from the applicable reuse
1303 utility addressing the availability of reclaimed water. The applicant shall request from

DRAFT August 12, 2020

the reuse utility a letter stating that reclaimed service is not available, or providing the following information:

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

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

CFWI - 2.9.2 Environmental Feasibility

The environmental feasibility of using a lowest quality water source shall be evaluated based on whether the use of a lowest quality water source would result in adverse environmental impacts, including human health. For example, the use of a lowest quality water source must be consistent with the recovery or prevention strategy of a waterbody with an established Minimum Flow or Minimum Water Level or the use of a lowest quality water source does not violate drinking water standards.

CFWI - 2.9.3 Economic Feasibility

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

DRAFT August 12, 2020

- 1350
1351
1352
1353
1354
1355
1356
1357
1358
- A. The costs and benefits of using the lowest quality water source as compared to the higher quality water source, including the amount of lowest quality source water that can be produced or used relative to the cost;
 - B. Impact on rates or charges associated with the applicant's operation to account for costs associated with using the lowest quality water source; and
 - C. Other factors affecting the economic feasibility of using the lowest quality water source given the applicant's particular situation.

1359 For reclaimed water, the applicant shall obtain from the applicable reuse utility and provide the
1360 following additional information:

- 1361
1362
1363
1364
1365
1366
1367
1368
1369
1370
1371
1372
- D. The reclaimed water rate(s) the reuse utility would charge the applicant (e.g., the cost per/1000 gallons) and any other periodic, fixed, or minimum charges for use of reclaimed water by the applicant;
 - E. The reclaimed water availability charges the reuse utility would charge the applicant in lieu of connection to the reclaimed water distribution system;
 - F. Other one-time charges for the connection to the reclaimed water distribution system and
 - G. Whether the reuse utility provides funding assistance to offset the costs to connect to the reclaimed water distribution system or assists potential customers in converting their operations to use reclaimed water.

1373 The Supplemental Applicant's Handbook Design Aid 4, titled, "Guidelines for Preparation of
1374 Reuse Feasibility Studies for Consumptive Use Permit applicants" and dated November 1996 is
1375 available solely to provide applicants with useful tools and suggestions that may assist in the
1376 preparation of reuse feasibility studies for consumptive use permits under Chapter 62-41, F.A.C.
1377 The Design Aid is not incorporated by reference in Chapter 62-41, F.A.C., and applicants are not
1378 required to use the tools or suggestions of this Design Aid when preparing a reuse feasibility
1379 study.

1380 **CFWI – 3.0 Harm to the Water Resources of the Area**

1381
1382 Only within the CFWI Area, this section, CFWI – 3.1. through 3.5., supersedes in its entirety
1383 sections 2.3(g), 3.4, and 3.7 of the SJRWMD Applicant's Handbook, sections 3.3 , 3.4, 3.5, and
1384 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
1385 the SFWMD Applicant's Handbooks.

1386
1387 To provide reasonable assurance of compliance with the conditions for issuance in Rule 62-
1388 41.301(2)(g)2., F.A.C., an applicant must demonstrate that the use will meet the requirements of
1389 this section. The District will utilize the conditions for issuance in Rule 62-41.301(2)(g), F.A.C.,
1390 and sections 3.1 through 3.5 of this Handbook, to determine whether a use will cause harm to the
1391 water resources of the area.
1392

DRAFT August 12, 2020

1393 **CFWI – 3.1 Harmful water quality impacts to the water source resulting from the**
 1394 **withdrawal or diversion**

1395
 1396 A CUP application will be denied if the water withdrawal(s) would cause harmful water quality
 1397 impacts to the water source resulting from the withdrawal or diversion. For example, (a) the
 1398 induced movement of a contamination plume; or (b) the alteration of the rate or direction of the
 1399 movement of a contamination plume, as evidenced by the predicted influence the water
 1400 withdrawals would have on inducing movement of the contamination plume or as indicated by a
 1401 sustained increase in background levels in contaminant concentrations.
 1402

1403 **CFWI – 3.2 Harmful water quality impacts from dewatering discharge to receiving**
 1404 **waters**

1405
 1406 The use must not cause harmful water quality impacts from dewatering discharge to receiving
 1407 waters. Dewatering water must be retained onsite unless the applicant demonstrates it is not
 1408 technically feasible to retain the dewatering water onsite. If offsite discharge is requested, the
 1409 applicant shall provide documentation authorizing the applicant to discharge directly into the
 1410 receiving waterbody or adjacent lands and a demonstration that the receiving waterbody or
 1411 adjacent lands are capable of accepting the dewatering discharge. Applicants who have obtained
 1412 and are in compliance with a National Pollutant Discharge Elimination System (NPDES) or
 1413 Environmental Resource Permit for dewatering shall be considered to not cause harmful water
 1414 quality impacts from dewatering discharge to receiving waters.
 1415

1416 **CFWI – 3.3 Harmful saline water intrusion or harmful upconing resulting from water**
 1417 **withdrawals**

1418
 1419 The purpose of this section is to determine whether saline water intrusion or upconing is harmful
 1420 to the water resources of the area. ~~Saline water intrusion can cause harm not only to fresh water~~
 1421 ~~resources, but also water resources with higher chloride concentrations and total dissolved solids~~
 1422 ~~concentrations (e.g., brackish water). Nothing in this section shall be used to determine whether a~~
 1423 ~~source qualifies as an alternative water supply, as defined in section 373.019, F.A., or qualifies~~
 1424 ~~for funding by the District.~~
 1425

1426 **CFWI – 3.3.1 Definitions Relating to Saline Water Intrusion or Upconing and the Use of**
 1427 **Brackish Or Saline Water**

1428
 1429 For the purposes of this rule:

- 1430
 1431 (a) “Fresh water” means water containing less than 500 milligrams per liter (mg/L) of total
 1432 dissolved solids (TDS) and less than 250 mg/L chloride.
 1433
 1434 (b) “Brackish water” means water containing 500 mg/L or greater, but less than 3,000 mg/L
 1435 of TDS.
 1436
 1437 (c) “Saline water” means water containing 3,000 mg/L or greater of TDS.
 1438

DRAFT August 12, 2020

1439 ~~(a)(d)~~ “Saline water intrusion” means the movement of water caused by withdrawals resulting
 1440 in increases in ~~total dissolved solids (TDS)~~ or chloride concentrations that affects fresh
 1441 water. “Saline water intrusion” as used in the CFWI is not limited to the intrusion of
 1442 water defined as “saline” by a water management district or other publication, but
 1443 includes an increase in TDS or chloride concentrations from that existing prior to the
 1444 proposed withdrawal. Saline water intrusion can occur laterally or vertically (the latter of
 1445 which is termed “upconing”). Saline water intrusion is harmful when the increase in total
 1446 dissolved solids or chloride concentrations detrimentally effects the applicant or other
 1447 existing legal users of water, or is otherwise detrimental to the public interest.

1448 CFWI – 3.3.2 Withdrawal and Use of Fresh Water

1449 The District will not consider saline water intrusion as harmful if it is the result of seasonal
 1450 fluctuations; climatic conditions; or operation of the Central and Southern Flood Control Project,
 1451 secondary canals or stormwater systems. A withdrawal of freshwater must not cause harmful
 1452 saline water intrusion or upconing as determined below.

1453 ~~Nothing in this section shall be used to determine whether a source qualifies as an alternative~~
 1454 ~~water supply, as defined in section 373.019, F.S., or qualifies for funding by a District.~~

1455 To satisfy the requirements of this section, an applicant shall provide reasonable assurance that
 1456 the applicant’s proposed use will not cause harmful saline water intrusion or upconing. As part of
 1457 the consideration of whether the use will cause harmful saline water intrusion or upconing, the
 1458 following factors must be considered as applicable:

1459 A. Whether the saline water intrusion or upconing detrimentally affects the applicant,
 1460 unless the applicant is authorized or proposing to use brackish or saline water
 1461 pursuant to section 3.3.4, or impacts other existing legal uses of water

1462 A.B. Whether there is a sustained amount and rate of movement of ~~more~~ saline water to
 1463 a greater distance inland or towards a withdrawal point than from that existing prior
 1464 to the proposed withdrawal and not as a result of seasonal fluctuations or climatic
 1465 conditions;

1466 B. Whether there is a sustained amount and rate of increase of TDS or chloride
 1467 concentrations at the base of the aquifer(s) or producing zone(s) from that existing
 1468 prior to the proposed withdrawal;

1469 C. Whether there would be adverse impacts to values or functions of wetlands or other
 1470 surface waters, including springs;

1471 D. Whether a higher quality water source would be adversely impacted by the
 1472 withdrawal;

1473 E.C. Whether the applicant has provided a plan to monitor anticipated increase in TDS
 1474 or chloride concentrations to confirm that TDS or chloride will not increase to

DRAFT August 12, 2020

harmful concentrations can be monitored and treated by the applicant for its intended purpose; and.

F. The geographic extent of any increase in TDS or chloride concentrations.

CFWI - 3.3.3~~1~~ Technical Assistance

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

CFWI – 3.3.4 Withdrawal Or Use Of Brackish and Saline Water

The District encourages the use of the lowest water quality for the use intended, while also providing for the long-term protection of the water resources. The use of brackish or saline water is permitted by the District as a source of supply for all uses. The use of brackish or saline water may cause limited increases in salinity but not to the extent of interfering with any presently existing legal use of water or rendering the resource no longer usable by the permittee. In order to provide reasonable assurances that harmful increases in salinity will not occur in violation of this subsection when using brackish or saline water, the applicant must demonstrate that:

- A. The quality of the proposed source will be adequate for the intended use throughout the duration of the permit.
- B. The proposed use will not cause harm to presently existing legal use of water; and
- C. The proposed use of water will not cause harm to freshwater sources that come in contact with saline water as a result of the proposed use. Under the following conditions, the use of saline water will not be considered harmful to the receiving water body under this subsection.
1. The affected receiving water body is non-productive or low yielding in nature;
 2. The saline water source will discharge directly to tide after use;

DRAFT August 12, 2020

1530 3. The saline source water will be diluted to less than 250 mg/L chloride
 1531 concentration or 500 mg/L TDS concentration prior to use; or,

1532
 1533 4. The impacts of the saline water use are compatible with surrounding land uses.

1534
 1535 Any use of saline water that comes into contact with freshwater as a result of the proposed use
 1536 will require a detailed water quality monitoring program as a permit condition. This rule is not
 1537 intended to allow the District to consider disposal of concentrate resulting from desalination of
 1538 saline water in determining compliance with the consumptive use permit conditions for issuance.

1539 **CFWI – 3.4 Harmful hydrologic alterations to natural systems, including wetlands or other**
 1540 **surface waters**

1541
 1542 This Section establishes the standards for evaluating impacts to natural systems, including
 1543 wetlands or other surface waters, pursuant to the conditions for permit issuance in Rule 62-
 1544 41.301, F.A.C. These standards apply to all applications for water withdrawals, including
 1545 applications for the initial use of water new, modifications, and renewals of consumptive use
 1546 permits, and authorized water uses, herein referred to as the “water use.” In its evaluation of the
 1547 applicant’s water use, the extent of hydrologic alterations caused by the applicant’s water use
 1548 shall be considered, except as otherwise provided herein.

1549 Districts shall not consider impacts to wetlands and other surface waters not caused by the water
 1550 use, including, but not limited to, impacts caused by existing surface water management
 1551 activities, drainage, water table lowering, roads, levees and adjacent land uses.

1552
 1553 **CFWI – 3.4.1 Identification of Wetlands and Other Surface Waters**

1554
 1555 Wetlands and other surface waters as delineated pursuant to Chapter 62-340, F.A.C. or identified
 1556 using alternative methods outlined below, that are within the area of influence of a water
 1557 withdrawal, are subject to section 3.4 through subsection 3.4.7, except as provided by the
 1558 exclusions in subsection 3.4.2.

1559
 1560 Reasonable scientific judgment shall be used to evaluate the existence and extent of a wetland or
 1561 other surface water, including all reliable information, such as visual site inspection and aerial
 1562 photointerpretation. In addition, relevant information submitted pursuant to Chapters 62-330 or
 1563 62-340, F.A.C, in support of an ERP/SWM Permit shall be considered.

1564
 1565 In determining the location of wetlands and other surface waters, the applicant may consult staff
 1566 reports of previously issued ERP and SWM Permits for the site and adjacent sites, NWI Maps,
 1567 Land Use/Land Cover maps, NRCS-USDA soils maps, formal and informal wetland
 1568 determinations issued by the District or Department, and other similarly reliable sources of
 1569 information. District staff will attempt to locate the landward extent of wetlands or other surface
 1570 waters visually by: onsite inspection, aerial photointerpretation, or photointerpretation in
 1571 combination with ground truthing, without quantitative sampling. The methodology shall not be
 1572 used to delineate areas which are not wetlands as defined in subsection 62-340.200(19), F.A.C.
 1573
 1574

DRAFT August 12, 2020

1575 **CFWI – 3.4.2 Exclusions of Certain Wetlands and Other Surface Waters**

1576

1577 The District will not consider the following impacts as harmful to natural systems, including
1578 wetlands or other surface waters.

1579

1580

- A. For the purposes of this subparagraph ~~A~~ only, “isolated wetland” means any area that is determined to be a wetland in accordance with Chapter 62-340, F.A.C., but that does not have any connection via wetlands or other surface waters as determined using Rule 62-340.600, F.A.C. The District will not consider impacts to isolated wetlands one half (0.5) acre or less in size unless:

1585

1. The wetland is used by endangered or threatened species;
2. The wetland is in an area of critical state concern designated pursuant to Chapter 380, F.S.;
3. The wetland is connected by standing or flowing surface water at seasonal high water level to one or more wetlands, and the combined wetland acreage so connected is greater than one half (0.5) acre. Wetland connection is determined by the delineation methods for surface waters set forth in Chapter 62-340, F.A.C.; or
4. The District establishes that the wetland to be impacted is, or several such isolated wetlands to be impacted are, cumulatively, of more than minimal value to fish and wildlife.

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- B. Wetlands or other surface waters which were either authorized to be impacted through a permit issued under Part IV of Chapter 373, F.S., or Part VIII of Chapter 403, F.S. (1984 Supp.) as amended, or allowed by an exemption under those statutes (or rules promulgated thereunder).

1597

1598

1599

1600

1601

- C. Ponds constructed in uplands and less than one acre in area and drainage ditches that were constructed in uplands, so long as:

1602

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1608

However, consideration of such systems shall be subject to all other conditions of permit issuance.

1609

1610

1611

- D. Wetlands or other surface waters to the extent they have been specifically authorized to be impacted or mitigated pursuant to a previously issued consumptive use permit, unless the applicant proposes additional impacts. In such case, the District will only consider the proposed additional impacts to wetlands or other surface waters.

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CFWI - 3.4.3 Evaluation of Harm to Natural Systems

DRAFT August 12, 2020

1620 Harm to the water resources, except those excluded as set forth in Section 3.4.2, will be
 1621 evaluated by comparing the existing natural system to the predicted post withdrawal conditions.
 1622 Previously permitted or exempt physical alterations to environmental features, such as drainage
 1623 systems or water control structures, will be considered as the existing condition. However, areas
 1624 impacted by activities in violation of a District or Department rule, order, or permit adopted or
 1625 issued pursuant to Chapter 373, F.S., or Part VIII of Chapter 403, F.S. (1984 Supp.) as amended,
 1626 will be evaluated as if the activity had not occurred.

1627
 1628 The evaluation of wetlands and other surface waters will consider their hydrologic characteristics
 1629 and susceptibility to harm resulting from hydrologic alterations attributed to the proposed water
 1630 withdrawals individually and cumulatively. The assessment of impacts expected due to the water
 1631 use will be based on the best available information. An applicant shall only be required to
 1632 address its relative contribution of harm to the wetlands and other surface waters from its water
 1633 use.

1634
 1635 To evaluate the conditions below, the applicant must provide the following supporting
 1636 information as applicable to assist in the impact evaluation:

- 1637
 1638 A. Scaled map and recent aerial photographs that identify the:
 1639 1. Area of influence of the individual and cumulative effects of the proposed
 1640 water use;
 1641 2. The locations of all wetlands and other surface waters that occur within the
 1642 area of influence of the individual and cumulative effects of the proposed
 1643 water use, including wetlands and other surface waters located outside the
 1644 applicant's property boundaries; and
 1645 3. Locations of existing and proposed withdrawal facilities.
 1646
 1647 B. Information about the hydrology and current conditions of the wetlands and other
 1648 surface waters.
 1649
 1650 C. Information regarding the potential impact of the individual and cumulative effects of
 1651 the proposed water use on the wetland or other surface water in its current condition.
 1652
 1653 D. A summary report of any modeling performed and electronic copies of any modeling
 files for District staff to review.
 1654
 1655 E. Site specific information shall be submitted by the applicant, if requested by the
 1656 District or if otherwise deemed relevant by the applicant, for determining whether the
 1657 narrative standards, set forth below, have been met. The applicant shall provide site
 1658 specific information on the local hydrology, geology, actual water use or unique
 seasonality of water use, including:
 1659 1. Consideration of site specific hydrologic or geologic features that affect the
 1660 projected drawdown, including the existence and extent of confining layers
 1661 that impede the vertical movement of water under the wetland, preferential
 1662 flow paths, seepage face wetlands that receive high rates of inflow, or the
 1663 effects of soil depth and type on moisture retention, to the degree that actual

DRAFT August 12, 2020

- 1664 field data support how these factors affect the potential for impacts of the
1665 water use on the wetland or other surface water.
- 1666 2. If the applicant asserts that the actual water use has not caused harm to
1667 wetlands or other surface waters, site specific information on the condition of
1668 the wetlands or other surface waters in question must be provided in
1669 conjunction with pumpage records or other relevant evidence of actual water
1670 use to substantiate the assertion. Applicable monitoring data and historic
1671 photography shall be submitted, if available.
- 1672 3. Other relevant factors or information in assessing the potential for harm to
1673 wetlands and other surface waters, such as the condition, size, depth,
1674 uniqueness, location, and fish and wildlife utilization, including listed species,
1675 of the wetland or other surface water.
- 1676
- 1677 F. Where there is potential for harm, information required to determine whether the
1678 harm can be eliminated pursuant to Section 3.6 below.
- 1679
- 1680 G. A monitoring plan to assess the effects of the water use, if required. A monitoring
1681 plan shall be required when necessary to provide continued verification that no harm
1682 is occurring due to the water use.
- 1683
- 1684 H. If the applicant asserts the exclusions in Subsections 3.4.2, above, apply to wetlands
1685 or other surface waters within the area of influence of the proposed water use, the
1686 applicant must provide appropriate information supporting this assertion, including
relevant information from the permit file.

1687 **CFWI - 3.4.4 Harm to Wetlands**

1688 Harm to wetlands is:

- 1690
- 1691 A. Changes in wetland hydroperiods and wet season water levels ~~from the~~ **a result of**
1692 **the** withdrawal or diversion that cause wetlands plant species composition or
1693 community zonation to be adversely impacted.
- 1694
- 1695 B. Changes in hydrology from the withdrawal or diversion that adversely impact
1696 wetland habitat functions for aquatic or wetland dependent flora or fauna either
1697 temporally or spatially **caused by the withdrawal or diversion**. Wetland habitat
1698 functions include, but are not limited to, providing cover and refuge; breeding,
1699 nesting, denning, and nursery areas; corridors for wildlife movement; food chain
1700 support; and natural water storage, natural flow attenuation, and water quality
1701 improvement, which enhances fish, wildlife, and endangered and threatened species
1702 utilization.
- 1703
- 1704 C. Changes in hydrology from **caused by** the withdrawal or diversion that alter habitat
1705 for endangered or threatened species to the extent that utilization by those species is
1706 impaired.

1707 **CFWI - 3.4.5 Harm to Flowing Systems**

DRAFT August 12, 2020

1709
1710 Harm to flowing systems is:

- 1711
1712 A. Changes in flow rates ~~caused by~~from the withdrawal or diversion that cause adverse
1713 impacts to aquatic or wetland dependent flora or fauna in springs, including those
1714 classified as Outstanding Florida Springs, streams, rivers or estuaries.
1715
1716 B. Changes in flow rates resulting from the withdrawal or diversion that cause
1717 downgradient watercourses to experience changes to flow rates that cause adverse
1718 impacts to aquatic or wetland dependent flora or fauna.
1719

1720 **CFWI - 3.4.6 Harm to Lakes**

1721
1722 Harm to lakes is:

- 1723
1724 A. Changes in water levels ~~caused by~~from the withdrawal or diversion that cause
1725 produce adverse impacts to aquatic or wetland dependent flora or fauna.
1726
1727 B. Changes in water levels resulting from the withdrawal or diversion that cause flows to
1728 downgradient watercourses to experience changes to flow rates that cause adverse
1729 impacts to aquatic or wetland dependent flora or fauna.
1730

1731 **CFWI – 3.4.7 Elimination of Harm**

1732
1733 To the extent that harm is determined, the applicant shall modify the project design or water use,
1734 to the extent practicable, to eliminate or reduce harm to protected wetlands and other surface
1735 waters. Modifications to the project or water use include developing alternative water supply
1736 sources, modification of pumpage, relocation of withdrawal facilities, implementation of water
1737 conservation measures and creation of hydrologic barriers.

1738
1739 For wetlands or other surface waters located within the CFWI Area, which have MFLs
1740 established pursuant to section 373.042, F.S., compliance with the applicable prevention or
1741 recovery strategy adopted pursuant to section 373.0421, F.S., shall be considered adequate
1742 elimination of harm for existing or proposed water uses considered in the development of the
1743 prevention or recovery strategy.

1744
1745 A proposed modification that is not technically capable of being implemented, not economically
1746 viable, or adversely affects public safety through endangerment of lives or property, is not
1747 considered “practicable.” In determining whether a proposed modification is practicable,
1748 consideration shall be given to:

- 1749
1750 A. Whether the wetlands and other surface waters have been impacted by authorized
1751 activities other than the water use (such as development, adjacent land uses, drainage
1752 activities, operations of Works of the District, or an ERP or SWM Permit), and will
1753 continue to be impacted by such activities.
1754

DRAFT August 12, 2020

1755 B. The cost of modification for elimination or reduction of harm compared to the
 1756 environmental benefit such modification would achieve, including consideration of
 1757 existing infrastructure; and

1758 The District shall not require the applicant to implement design modifications to reduce or
 1759 eliminate harm when the ecological value of the functions provided by the wetlands and other
 1760 surface waters to be adversely affected is low based on site specific analysis, and the proposed
 1761 mitigation will provide greater long term ecological value.

1762
 1763
 1764 **CFWI – 3.4.8 Mitigation of Harm**

1765
 1766 When of harm is not “practicable” or required under subsection 3.4.7, the applicant must
 1767 mitigate the harm.

1768
 1769 A. Acceptable Mitigation of Harm.

- 1770
 1771 1. Mitigation usually consists of restoration, enhancement, creation or preservation
 1772 of wetlands, other surface water or uplands. Uplands that function as a hydrologic
 1773 contributing area to wetlands and other surface waters and are necessary to
 1774 maintain the ecological value of the wetlands or other surface waters may be
 1775 appropriate for mitigation of harmful impacts to wetlands and other surface
 1776 waters. The restoration, enhancement, creation or preservation of wetlands, other
 1777 surface waters or uplands shall be referred herein as a “Mitigation Area.”
- 1778
 1779 2. Restoration is usually preferred over creation as it often has a greater chance of
 1780 success due to soil characteristics, hydrologic regime, landscape position or other
 1781 factors that favor re-establishment of wetland or other surface water communities.
 1782 Preservation of important ecosystems can provide an improved level of protection
 1783 over current regulatory programs, when it ensures that the values of the preserved
 1784 area are protected and maintained in the long-term. In general mitigation is best
 1785 accomplished through creation, restoration, enhancement or preservation of
 1786 ecological communities similar to those being impacted.
- 1787
 1788 3. Mitigation can be conducted on-site, off-site or through the purchase of credits
 1789 from a mitigation bank or a combination of approaches, as long as it offsets the
 1790 anticipated harmful impact to wetlands and other surface waters and meets all
 1791 other conditions for permit issuance.
- 1792
 1793 4. The Guidelines for the Amount of Mitigation, Chapter 62-345, F.A.C., Uniform
 1794 Mitigation Assessment Method (UMAM) may be used to assess functions
 1795 provided by the wetlands and other surface waters harmed by the proposed water
 1796 use, the amount those functions will be reduced by the proposed adverse impact
 1797 and the amount of mitigation needed to offset the adverse impact.

1798
 1799 B. Mitigation Proposal.
 1800

DRAFT August 12, 2020

- 1801 1. Applicants must provide reasonable assurance that the proposed mitigation will
 1802 offset harm to the functions of wetlands and other surface waters due to
 1803 hydrologic alterations caused by the applicant's water use and achieve mitigation
 1804 success by providing viable and sustainable ecological and hydrological
 1805 functions.
- 1806
- 1807 2. Other than the use of credits from a mitigation bank permitted under Part IV,
 1808 Chapter 373, F.S. or a Regional Offsite Mitigation Area under section 373.4135,
 1809 F.S., an applicant must submit detailed plans describing the proposed mitigation.
 1810 These plans must address the following:
- 1811
- 1812 a. Monitoring Requirements. If applicable, the applicant shall monitor the
 1813 progress of Mitigation Areas, until success can be demonstrated. Monitoring
 1814 parameters, methods, schedules and reporting requirements will be specified
 1815 in permit conditions.
- 1816
- 1817 b. Protection of Mitigation Areas. Applicants shall propose and be responsible
 1818 for implementing methods that assure that mitigation areas will not be
 1819 adversely impacted by incidental encroachment or secondary activities that
 1820 might compromise mitigation success or long-term viability.
- 1821
- 1822 c. Mitigation Success. Mitigation success will be measured in terms of whether
 1823 the objectives of the mitigation proposed by the applicant are expected to be
 1824 realized. The success criteria to be included in permit conditions will specify
 1825 the minimum requirements necessary to attain a determination of success. If
 1826 success is not achieved within the time frame specified within the CUP,
 1827 remedial measures shall be required. Monitoring requirements shall remain in
 1828 effect until success is achieved as specified in the permit. Maintenance
 1829 requirements shall remain in effect as specified in the CUP.
- 1830
- 1831 d. Financial Responsibility for Mitigation.
- 1832
- 1833 (1) Where an applicant proposes mitigation, the applicant shall provide proof
 1834 of financial responsibility to conduct the mitigation activities, conduct any
 1835 necessary management of the mitigation activities, conduct monitoring of
 1836 the mitigation, prepare and submit monitoring reports, as required by the
 1837 CUP, and conduct any necessary corrective action indicated by the
 1838 monitoring plan.
- 1839
- 1840 (2) The amount of financial responsibility by the applicant shall be in an
 1841 amount equal to 110 percent of the mitigation cost estimate for each phase
 1842 of the mitigation plan submitted by the applicant.
- 1843
- 1844 (3) The applicant shall provide draft documentation of the required financial
 1845 responsibility mechanism described below with the permit application
 1846 shall submit the executed or finalized documentation within the time

DRAFT August 12, 2020

frames specified in the CUP. If the permittee fails to comply with any mitigation requirement set forth in the permit, the District may make demand upon the financial responsibility mechanism. Notice of intent to make demand shall be as provided in the mechanism or, if in none, upon reasonable notice.

(4) Financial responsibility for mitigation, monitoring and corrective action for each phase of the project may be established by any of the following methods, at the discretion of the applicant:

(a) Performance bond, when issued in favor of the District, the applicant shall also establish a standby trust fund agreement;

(b) Irrevocable letter of credit, when issued in favor of the District, the applicant shall also establish a standby trust fund agreement;

(c) Trust fund agreement;

(d) Deposit of cash or cash equivalent into an escrow fund at a regulated financial institution or at the Florida Department of Financial Services; and

(e) Guarantee bond.

(5) Within thirty (30) days of the District determining that the mitigation is successful, it shall so notify the permittee and shall authorize the return and release of all funds held or give written authorization to the appropriate third party for cancellation or termination of the financial responsibility mechanism. The permittee may request the District to release portions of the financial responsibility mechanism as parts of the mitigation plan or other activities were submitted as successfully completed.

(6) The following applicants shall not be subject to the financial responsibility requirement:

(a) Applicants shows mitigation is deemed successful prior to undertaking the withdrawal and use of water authorized under the CUP.

(b) Applicants whose mitigation is estimated to cost less than \$25,000.

(c) Federal, state, county and municipal governments, state political subdivisions, special districts, investor owned utilities regulated by the Florida Public Service Commission and rural electric cooperatives.

DRAFT August 12, 2020

1892 **CFWI – 3.5 Otherwise Harmful to the Water Resources of the Area**

1893

1894 The issuance of a permit shall be denied if the withdrawal or use of water would otherwise be
1895 harmful to the water resources.

1896

1897 **~~CFWI – 3.6 Eliminating Harm~~**

1898

1899 ~~To the extent that harm is determined, the applicant shall modify the project design or water use
1900 to eliminate harm to protected wetlands and other surface waters. Changes to the project design
1901 or water use include developing alternative water supply sources, reducing proposed
1902 withdrawals, implementation of wellfield optimization plan, relocation of withdrawal facilities,
1903 implementation of water conservation measures and creation of hydrologic barriers.~~

1904

1905 ~~Where a permittee requires time to complete changes to the project design or water use changes
1906 and a stepped allocation has been authorization, the project design or water use changes shall be
1907 completed in accordance with a timeframe set forth in the permit, as appropriate.~~

1908

1909 **CFWI – 4.0 Harm to Existing Offsite Land Uses**

1910

1911 Within the CFWI Area, this section, CFWI - 4.0, supersedes section 3.6 of the SFWMD and
1912 SWFWMD Applicant's Handbooks; and section 2.3(f) of the SJRWMD Applicant's Handbook.

1913

1914 This section describes how an applicant establishes reasonable assurance with the conditions for
1915 issuance set forth in Rule 62-41.301(2)(f), F.A.C.

1916

1917 This Section does not establish a property right in water, but prohibits harm from a water use to
1918 certain land uses that are dependent upon water being on or under the land surface.

1919

1920 Adverse impacts to existing off-site land uses are exemplified by, but not limited to:

1921

1922 A. Significant reduction in water levels in a surface water body to the extent that the
1923 designed function of the water body and related surface water management
1924 improvements are damaged; not including aesthetic values. The designed function of
1925 a water body is that identified in the original permit or other governmental
1926 authorization issued for the construction of the water body. In cases where a permit
1927 was not required, the design function shall be determined based on the purpose of the
1928 original construction of the water body (e.g., fill for construction, mining or drainage
1929 canals;.

1930

1931 B. Damage to agriculture, including damage resulting from reduction in soil moisture
1932 resulting from water use;

1933

1934 C. Adverse flooding; and

1935

1936 D. Adverse impacts to recreational uses.

1937

DRAFT August 12, 2020

1938 In addition, for uses of water associated with dewatering, an applicant must demonstrate that the
 1939 proposed consumptive use will not cause harm to existing offsite land uses due to the discharge
 1940 of water associated with dewatering activities, as defined in this Section.
 1941

1942 Whether an existing offsite land use is considered under this Section depends on whether there is
 1943 a reasonable expectation that water will continue to exist on or under the land surface to support
 1944 that offsite land use. When determining whether there is a reasonable expectation in the
 1945 occurrence of water for an existing offsite land use, the District will consider:
 1946

- 1947 A. Only those offsite land uses that existed prior to the initiation of the consumptive use
 1948 are protected under this section;
- 1949 B. The historic natural and artificial hydrologic variations on the offsite property;
- 1950 C. The design function of the offsite property;
- 1951 D. The purpose and nature of the water or water source on the offsite property, such as
 1952 surface water management or water quality treatment; and
- 1953 E. Hydrologic variations that have occurred or are expected to occur as a result of
 1954 authorized consumptive use withdrawals.
 1955
 1956
 1957
 1958
 1959

1960 To be considered under this rule, the impact on an existing offsite land use must be the result of a
 1961 withdrawal associated with a proposed consumptive use. Impacts to land uses can be caused by
 1962 many different activities, such as drainage activities, reduced rainfall, regional trends, and other
 1963 non-consumptive use related influences. Impacts from these non-consumptive use influences will
 1964 not be considered or mitigated for under this Section.
 1965

1966 This section is not intended to protect wetlands and other surface waters which are protected
 1967 against harm pursuant to Rule 62-41.301(2)(g)4, F.A.C. and Section 3.4.
 1968

1969 For new uses, the applicant must identify those land uses existing at the time of the current
 1970 permit application. For permit modifications, only those land uses existing at the time of the
 1971 current permit application are considered, but the responsibility to not cause adverse impacts
 1972 only extends to offsite land uses that predate the request for modification and only applies to
 1973 harm projected to occur due to the requested modification. For permit renewals, the applicant is
 1974 required to demonstrate that the allocation being renewed will not cause harm to offsite land uses
 1975 that existed at the time the allocation or portions of the allocation were first authorized either
 1976 through an original permit or permit modification.
 1977

1978 The applicant must identify those existing land uses that are potentially impacted by the
 1979 withdrawal associated with their consumptive use, such as seepage irrigated crops and surface
 1980 water management systems. The applicant must demonstrate that the resulting change in water
 1981 levels related to the proposed withdrawal will not cause harm, as described in this section above.
 1982 Methods for avoiding harm to existing offsite land uses include: reducing the amount of water
 1983 withdrawn, modifying the method or schedule of withdrawal, mitigating the damages caused, or,

DRAFT August 12, 2020

1984 in the case of dewatering discharges, taking other actions to avoid increasing the potential for
 1985 flooding. However, an applicant may accept adverse flooding impacts, for example, on land
 1986 owned by the applicant or land for which the applicant has demonstrated sufficient legal
 1987 authority to accept such flooding impacts.

1988
 1989 The District shall include as a condition in any applicable permit the requirement that the
 1990 permittee mitigate harm to existing offsite land uses caused in whole or in part by the permittee's
 1991 consumptive use. The permit condition shall require the permittee to submit a mitigation plan for
 1992 approval by the District that identifies actions necessary to mitigate unanticipated harm to
 1993 existing offsite land uses. Such actions must be sufficient to restore the land use that existed prior
 1994 to the impact and may require a permit modification. A mitigation plan may include replacement
 1995 of the impacted individual's equipment, relocation of wells, change in withdrawal source, or
 1996 other means. The mitigation plan will require a permittee to mitigate immediately or upon the
 1997 actual occurrence of harm.

1998 **CFWI – 5.0 Special Limiting Permit Conditions**

2000 In addition to the Standard Limiting Conditions of the Districts, the following special conditions
 2001 shall be added, ~~as identified below to existing permits and permits for new uses~~ permits within the
 2002 CFWI Area, as specified in Section 1.2.

- 2003 A. For all use types with a permitted allocation from the Upper Floridan aquifer, except
 2004 agricultural and landscape/recreation and those groundwater allocations that are
 2005 excluded by Section 2.8.2.1, the following special permit conditions shall be added:
 2006 By December 31, 2023, any permittee ~~or applicant seeking a~~ permit duration
 2007 extending beyond 2025 whose projected water demand will exceed its Demonstrated
 2008 2025 Demand shall submit a plan to the District describing how the remainder of its
 2009 demand will be met from non-Upper Floridan aquifer sources (e.g., Lower Floridan
 2010 aquifer, impact offsets, substitution credits, land use transitions, alternative water
 2011 supply development and conservation). The plan shall propose projects and identify a
 2012 schedule for implementation. Annual updates shall be due on December 31 of each
 2013 subsequent year detailing progress shall be provided to the District. The annual status
 2014 reports shall include work completed to date, expenditures, and any anticipated
 2015 changes in timelines.
- 2016 B. For all public supply permits with an annual average daily quantity of 100,000 gpd or
 2017 greater, except for public water supply permits located within SWUCA and the
 2018 Dover/Plant City WUCA, the following special permit conditions shall be added:
 2019 1. The quantities included in the permit are based on an average per capita rate
 2020 of XXX. In accordance with Section 2.7.3 of the CFWI Supplemental
 2021 Applicant's Handbook, the Permittee's gross per capita water use rate in any
 2022 given year shall not exceed 100 gpd.
 2023
 2024 2. The Permittee's per capita water use rate shall be monitored via the Annual
 2025 Report that is required to be submitted by April 1 of each year for the term of
 2026 the permit. Permittees within the CFWI may use the "Public Supply Annual
 2027 Report," referred to in Section 2.7.3.1 of the CFWI Supplemental Applicant's
 2028

DRAFT August 12, 2020

Handbook as Design Aid 3, to assist with properly documenting the information that must be included in the Annual Report. At a minimum, the Annual Report must contain the following information:

- i. Calculation of the Compliance-Gross Per Capita Water Use Rate pursuant to Section 2.7.3. All components of the Compliance-Gross Per Capita Water Use Rate equation are subject to the requirements set forth in Section 2.7.3.1(A) of the CFWI Supplemental Applicant's Handbook.
- ii. Documentation of each component of the Compliance-Gross Per Capita Water Use Rate equation, as applicable, pursuant to Section 2.7.3.2(A) of the CFWI Supplemental Applicant's Handbook.
- iii. A service area map or file showing the current utility service area. Any changes to the utility service area relative to the existing boundaries in the District's Geographic Information System (GIS) layer must be identified and documented.
- iv. Residential water use, which consists of the indoor and outdoor water uses associated with each category of residential customer (single family units, multi-family units, and mobile homes), including irrigation uses, whether separately metered or not. The Permittee shall document the methodology used to determine the number of dwelling units by type and the quantities used. Estimates of water use based upon meter size will not be accepted. If mobile homes are included in the Permittees multi-family unit category, the information for them does not have to be separated. The information for each category shall include:
 - a) Number of dwelling units per category;
 - b) Number of domestic metered connections per category;
 - c) Number of metered irrigation connections;
 - d) Annual average quantities in gallons per day provided to each category; and
 - e) Percentage of the total residential water use provided apportioned to each category.
- v. Non-residential water use, which consists of all quantities provided for use in a community not directly associated with places of residence. For each category below, the Permittee shall include annual average gpd provided, the percent of total non-residential use quantities provided, and the number of metered connections:
 - a) Industrial/commercial uses, including those associated lawn and landscape irrigation use;
 - b) Agricultural uses (e.g., irrigation of a nursery);
 - c) Recreation/Aesthetic, including irrigation (excluding golf courses) of common areas, stadiums, and school yards;
 - d) Golf course irrigation;
 - e) Firefighting, system testing and other accounted uses;
 - f) Regional governmental facilities;

DRAFT August 12, 2020

g) Higher education facilities;

h) K-through-12 schools that do not serve any of the service area population; and

i) Regional Health Facilities;

j) Individual industrial/commercial facilities, where water is the primary ingredient of the final product; and

kg) Water loss, defined as the difference between the output from the treatment plant and accounted residential water use (iv above) and the listed non-residential uses in this section.

vi. A water audit report, if water losses are greater than 10% of the total distribution quantities. The water audit shall include:

a) Evaluation of:

(1) leakage associated with transmission and distribution mains;

(2) overflow and leakage from storage tanks;

(3) leakage near service connections;

(4) illegal connections;

(5) description and explanations for excessive distribution line flushing (greater than 1% of the treated water volume delivered to the distribution system) for potability;

(6) fire suppression;

(7) un-metered system testing;

(8) under-registration of meter; and

(9) other discrepancies between the metered amount of finished water output from the treatment plant less the metered amounts used for residential and non-residential uses specified in Parts 4 and 5 above, and

b) A schedule for a remedial action-plan to reduce water losses below 10%.

vii. If the Permittee cannot achieve a gross per capita water use rate of 100 gpd according to the time frames included in Section 2.7.3.1.C, the Annual Report shall include an explanation detailing why the gross per capita water use rate was not achieved, measures taken to comply with the per capita water use rate of 100 gpd, and a plan that identifies conservation or water supply project(s) that will be developed and implemented to achieve the gross per capita water use rate of 100 gpd.

3. In addition to the Annual Report required by Section 2.7.3.1 of the CFWI Supplemental Applicant's Handbook, Permittees-public water supply permittees in the Southern Water Use Caution Area SWUCA and the Dover/Plant City Water Use Caution Area WUCA shall submit Parts D through E of the "Public Supply Annual Report For Individual Permits Over 100,000 GPD Annual Average Quantities Form" (Form No. LEG-R.103.00 (5/14)), and all required attachments, including the Public Supply Service Area General Information Form, by April 1 of each year.

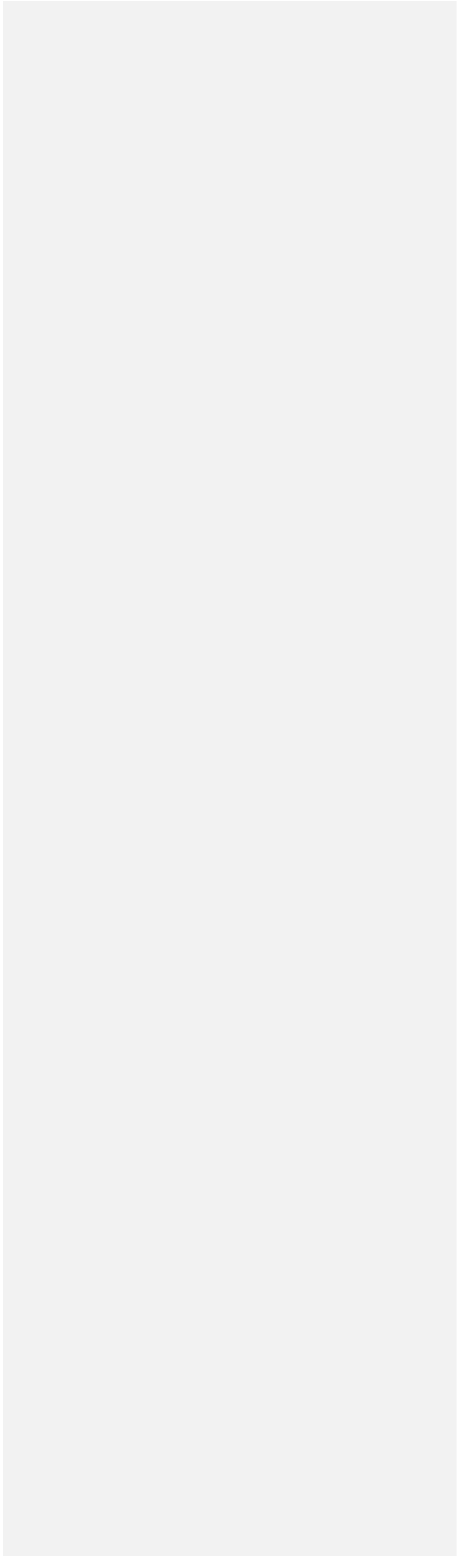
DRAFT August 12, 2020

- 2120 C. For self-supplied agricultural, recreational, or landscape irrigation uses whose
 2121 allocation is based on the amount of water needed to supply the supplemental
 2122 irrigation requirements of the type of crop, turf or landscape grown, the following
 2123 special permit conditions shall be added:
- 2124 1. Total annual allocation is _____ million gallons (_____ mgd) for a 2-in-10
 2125 year drought condition. This allocation represents the amount of water
 2126 required to meet the water demands as a result of a rainfall deficit during a
 2127 drought with the probability of recurring twice every ten years. The Permittee
 2128 shall not exceed this allocation in hydrologic conditions less than a 2-in-10
 2129 year drought event. Compliance with this annual allocation is based on the
 2130 quantity withdrawn over a rolling average of the previous 12-month time
 2131 period.
 - 2132 2. Total annual allocation is _____ million gallons (_____ mgd) for a 5-in-10
 2133 year condition. This allocation represents the amount of water required to
 2134 meet average annual water demands. Compliance with this annual allocation
 2135 is based on the quantity withdrawn over a rolling average of the previous 12-
 2136 month time period.
 - 2137 3. Total peak monthly allocation is _____ million gallons. Compliance with the
 2138 peak monthly allocation is based on the greatest quantity withdrawn in any
 2139 single month.
 - 2140 4. If the rainfall deficit is more severe than that expected to recur twice every ten
 2141 years, the withdrawals shall not exceed that amount necessary to continue to
 2142 meet the reasonable-beneficial demands, provided no harm to the water
 2143 resources occur and:
 2144 i. All other conditions of the permit are met; and
 2145 ii. The withdrawal is otherwise consistent with any applicable declared
 2146 Water Shortage Order in effect.
 - 2147 5. If the Permittee exceeds the allocated supplemental irrigation quantities, upon
 2148 request by the District, the Permittee must submit a report that includes
 2149 reasons why the allocated quantities were exceeded, measures taken to meet
 2150 the allocated quantities, and a plan to bring the permit into compliance. The
 2151 District will evaluate information submitted by Permittees who exceed their
 2152 allocated quantities to determine whether there is good cause for the
 2153 exceedance. Permittees may justify an exceedance by documenting unusual
 2154 water needs, such as weather conditions creating greater irrigation needs than
 2155 normal. However, even with such documentation, phased reductions in water
 2156 use will be required unless the District determines that water usage was
 2157 reasonable under the circumstances reported and that further reductions are
 2158 not feasible. The permittee must seek a permit modification if it desires to
 2159 implement any increase in allocated quantities.

2164

DRAFT August 12, 2020

2165
2166



Attachment: 20-09-08 PRWC CFWI Rule Comment Letter Attachments (8021 : Action Item - PRWC Comments Regarding FDEP CFWI Rule)

54305800;1

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #6

SUBJECT

Action Item - Election of Regular BOD Officers for FY 2021

DESCRIPTION

The Polk Regional Water Cooperative's (PRWC) Formation Interlocal Agreement and the Combined Projects Implementation Agreement have essentially the same provisions regarding Board of Director's (BOD) officers. Both, the Project Board and the Cooperative BOD elect the chair, vice-chair, secretary/treasurer to serve for a term of one year and such additional time as may transpire between the completion of one year and October 1. Each officer may serve two consecutive one year terms, if re-elected. The chair shall be rotated at the end of each term so that the vice-chair shall replace the chair, unless the chair is re-elected to a second consecutive one year term and a new vice-chair, secretary/treasurer shall be elected each year.

The current regular BOD officers are Chairman Tim Pospichal (Auburndale), Vice-Chair Eugene Fultz (Lake Wales), and Secretary/Treasurer George Lindsey (Polk County). Chairman Pospichal will complete his second one 1-year term (ending FY20 - September 30, 2020) and is not eligible to be re-appointed. Vice-Chair Eugene Fultz and Secretary/Treasurer George Lindsey are willing to serve as Chair and Vice-Chair, respectively, beginning October 1, 2020.

The BOD will need to appoint a board member to serve as secretary/treasurer.

RECOMMENDATION

Request the Board to confirm Eugene Fultz as the Chair and George Lindsey as vice-chair and appoint a secretary/treasurer for the PRWC Regular Board for FY 2021.

FISCAL IMPACT

N/A

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #7

SUBJECT

Action Item - Election of Projects BOD Officers for FY 2021

DESCRIPTION

The Polk Regional Water Cooperative's (PRWC) Formation Interlocal Agreement and the Combined Projects Implementation Agreement have essentially the same provisions regarding Board of Director's (BOD) officers. Both, the Project Board and the Cooperative BOD elect the chair, vice-chair, secretary/treasurer to serve for a term of one year and such additional time as may transpire between the completion of one year and October 1. Each officer may serve two consecutive one year terms, if re-elected. The chair shall be rotated at the end of each term so that the vice-chair shall replace the chair, unless the chair is re-elected to a second consecutive one year term and a new vice-chair, secretary/treasurer shall be elected each year.

The current Project BOD officers are Chairman Tim Pospichal (Auburndale), Vice-Chair Eugene Fultz (Lake Wales), and Secretary/Treasurer George Lindsey (Polk County). Chairman Pospichal will complete his second one 1-year term (ending FY20 - September 30, 2020) and is not eligible to be re-appointed. Vice-Chair Eugene Fultz and Secretary/Treasurer George Lindsey are willing to serve as Chair and Vice-Chair, respectively, beginning October 1, 2020.

The Project BOD will need to appoint a board member to serve as secretary/treasurer.

RECOMMENDATION

Request the Board to confirm Eugene Fultz as the Chair and George Lindsey as vice-chair and appoint a secretary/treasurer for the PRWC Regular Board for FY 2021.

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #8

SUBJECT

Mediator/Facilitator Progress Update

DESCRIPTION

On May 20, 2020, the Polk Regional Water Cooperative (PRWC) Phase 1 Project Board unanimously agreed to seek the services of a “mediator/facilitator” to assist with important critical decisions related to the progression of the projects to “Phase 2.” The Project Board approved having the City of Winter Haven prepare and publish a Request for Proposals (RFP) to competitively seek an individual or company to serve as the Phase 2A Mediator/Facilitator.

On June 19, 2020, the City of Winter Haven published RFP 20-51 for “Phase 2A Mediator/Facilitator Services.”

Ultimately, the firm Nason, Yeager, Gerson, Harris & Fumero was selected by a panel of board representatives from 7 specified member governments. On July 29, 2020, the PRWC Phase 1 Project Board approved the recommendation from the selection committee.

Since then, Nason Yeager has been working to compile and review project information, agreements and other background documents and meet with member government and their representatives.

**As of the publish date, Nason Yeager is still meeting with member governments. Additional information will be provided at the meeting.*

RECOMMENDATION

FISCAL IMPACT

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #9

SUBJECT

Demand Management Plan Results and Next Steps

DESCRIPTION

The Polk Regional Water Cooperative (PRWC) Project Board (P-BOD) will receive an update on the final Demand Management Plan (DMP) and how the recommendations will be implemented in FY 2021.

The DMP kicked off in January, 2019 with a goal to identify water conservation measures that would lower PRWC water demands and defer future alternative water supply phases. The PRWC Conservation Team has worked to identify conservation measures which are cost effective and would result in the potential deferment of alternative water supplies.

The DMP makes recommendations for the immediate and long-term implementation of conservation programs and estimates the amount of water savings resulting from them if they are implemented. This presentation will discuss a recommended approach.

RECOMMENDATION

Information Only.

FISCAL IMPACT

N/A.

Your region, Your water, Your voice at the table



PRWC Board of Directors Demand Management Plan

Wednesday, September 16, 2020

Polk Regional
Water Cooperative



Your region, Your water, Your voice at the table

Attachment: DMP_Conclusions 091620 (8027 : Demand Management Plan Results and Next Steps)

Purpose

The purpose of this presentation is to update the Board on the conclusions of the Demand Management plan and to recommend next steps.

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Agenda

- Demand Management Plan overview
- DMP recommendations and implementation goals
- AWS deferment
- PRWC's next steps

Your region, Your water, Your voice at the table



Agenda

- Demand Management Plan overview
- DMP recommendations and implementation goals
- AWS deferment
- PRWC's next steps

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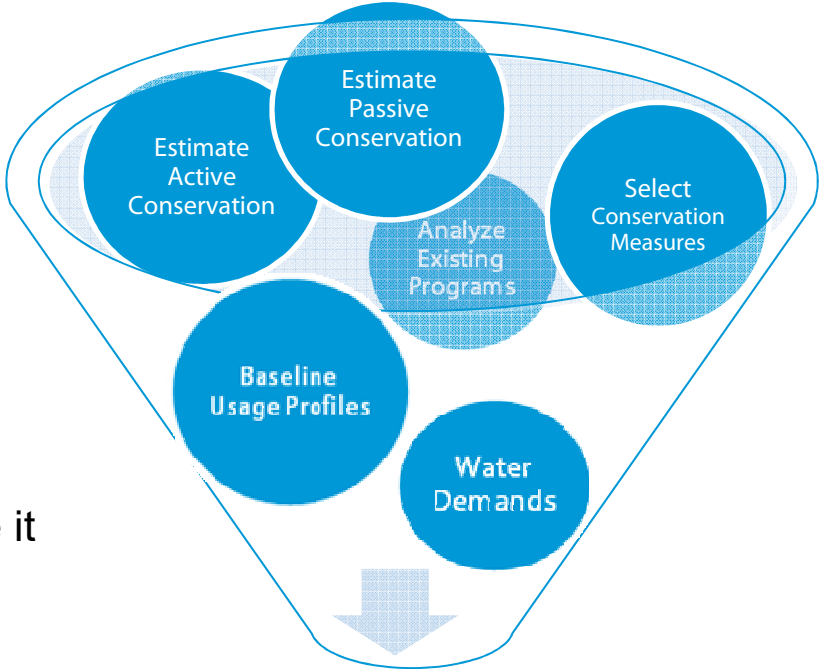
Demand Management Plan Overview

What is a demand management plan?

- A long-term plan intended to present water conservation measures which can **lower water demands** and provide strategies to implement them.

Why do you need it?

- Because your AWS cofunding requires it (SWFWMD Resolution No. 18-06)
- Because the draft FDEP rulemaking would make it more urgent.
- Because successful implementation **potentially can help defer future phases of costly AWS.**



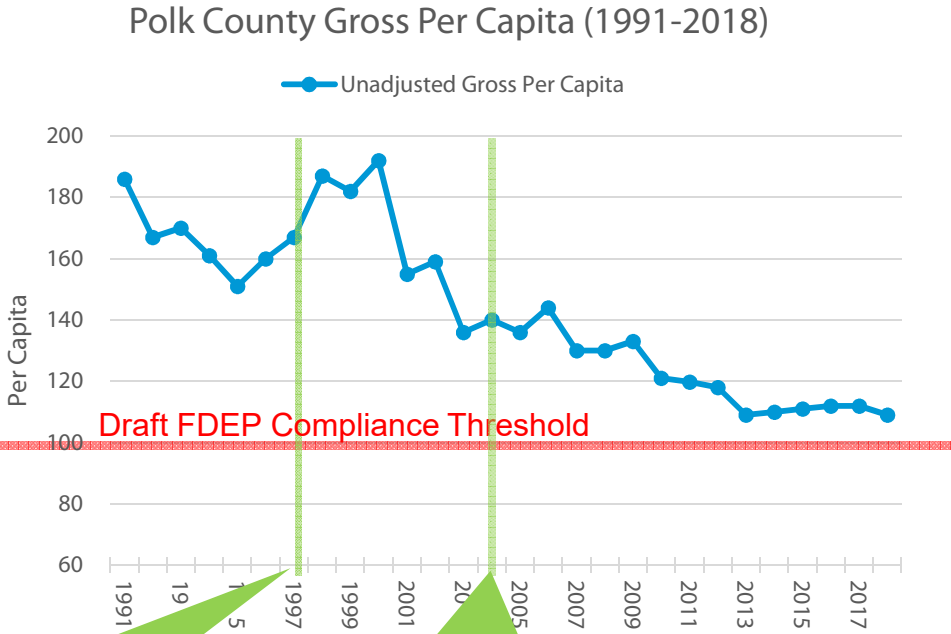
Implementation Strategy

Defer AWS

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This DMP is built on historical successes.

- Conservation (and reclaimed water use, etc.) has proven to be successful in Polk County.
- Last few years have been flat despite increased population and new home use.
- The DMP implementation strategy goes hand-in-hand with AWS to secure PRWC's long-term water supplies.



Reclaimed became increasingly prevalent in 90's

Water conserving rate structure and enforcement begin

Your region, Your water, Y

Quantitative and qualitative evaluations were conducted.

- Collected and compiled program and meter data.
- Developed estimates of program cost effectiveness where data existed.
- Compared meter data with property information, geographic information, and utility averages to characterize usage.
- Estimated an amount of ‘passive’ conservation which would be realized through 2040 through building codes and new appliances.
- Estimated an amount of ‘active’ conservation which would be realized through 2040 through utility-driven programs.
- Estimated AWS deferment.

Table 2 List of Existing and Potential Future Water Conservation Programs by Rank

Program Name	Expected Service Life (yrs) ¹	Ease of Implementation	Number of Staff Required ²	Cost Effectiveness (\$/kgal) ¹	Participation Rate (%) ³	Savings Potential (unit gpd) ⁴
RANKED PROGRAMS						
1. Cooling Tower Rebate	10	Easy	1	0.09	23	3,801
2. Commercial Dishwasher Rebate	20	Easy	1	0.35	23	164
3. Pre-Rinse Spray Valve Rebate	5	Easy	1	0.04-0.44	23	103-651
4. Urinal Rebate	25	Easy	2	0.18-0.52	23	52-79
5. Smart Irrigation Controller Rebate ⁴	10	Medium-easy	2	0.09-0.86	23	91-200
6. Water Conservation Kits ⁴	5	Easy	1	0.24	23	19-99
7. Toilet Rebate Program ⁴	25	Easy	2	0.15-1.18	23	20-78
8. Alternative Irrigation Source Rebate	25	Medium-easy	2	0.24	12.5	258
9. Soil Moisture Sensor Rebate	10	Easy	2	0.51-1.07	23	53-155
10. Toilet Voucher Program ⁴	25	Easy	2	0.21-1.65 ⁵	12.5	20-78
11. Wireless Rain Sensor Program ⁴	5	Easy	1	0.51-0.60	23	20-35
12. Florida Water Star Rebate ⁴	10	Easy	1	0.57	0.1	139
13. Commercial, Industrial, Institutional Facility Water Evaluation	5	Medium	2	2.41	12.5	592
14. Clothes Washer Rebate	12	Easy	1	1.86-2.41	23	12-16.3
15. Irrigation & Landscape Evaluation ¹	5	Easy	1	2.65	12.5	248
16. Rotary Nozzle Rebate	5	Easy	1	2.73	23	60
17. Florida-Friendly™ Landscape Rebate ⁴	20	Medium-easy	2	0.57-1.77	0.1	139-220
18. Watering Enforcement ⁴	5	Easy	1	0.09-1.53	23	30.7-43.8

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Agenda

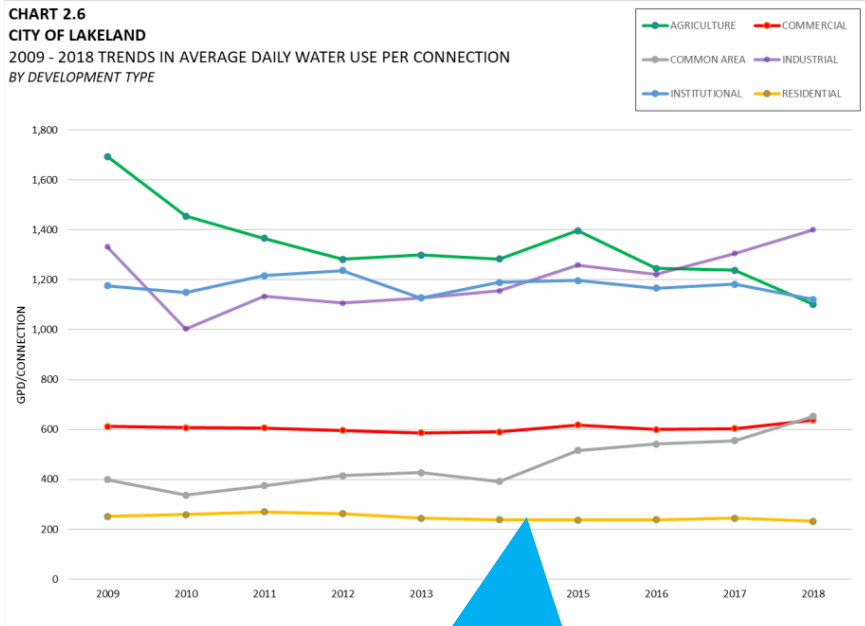
- Demand Management Plan overview
- DMP findings and implementation goals
- AWS deferment
- PRWC's next steps

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Improvements are needed, but success is evident.

- Water **demands are expected to grow** by over 20 MGD by 2040.
- Newer homes use more water (15% on average).
- Residential **usage is down 1.3%** annually (on average) even as population has grown.



Average residential usage decreases slightly, while population increases.



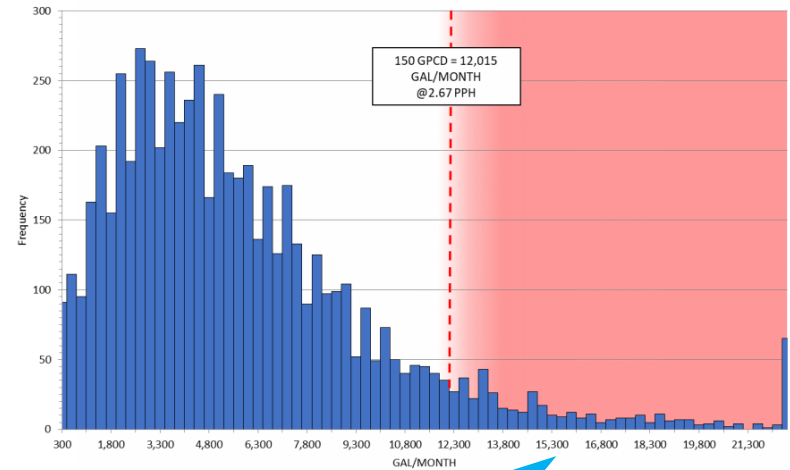
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And efforts can be focused on specific areas.

- Conservation **staffing** is a constraint on implementations.
- **Enforcement** has been shown to be an effective program.
- Improved **data collection** is necessary.
- **Outdoor usage** represents ~44% of residential water usage.

The majority uses a modest amount of water.

CHART 6.1
CITY OF LAKE WALES
RESIDENTIAL WATER USE HISTOGRAM



But some (17,000+) use excessive amounts.



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Begin with a baseline for measuring success.

Table 1 Status of programs studied under Task 6

STUDIED PROGRAM	STATUS OF EACH PROGRAM BY MEMBER UTILITY ¹				
	Auburndale	Barrow	Davenport	Dundee	Eagle Lake
Dedicated Conservation Staffing	Y	N	N	N	N
Recommended Programs					
Single-Family Residential ("SFR") Florida Water Star Ordinance	N	N	Y	N	N
SFR Florida-Friendly Landscaping Retrofit Rebate	(Y)	N	N	N	N
Continued / Expanded Watering Enforcement	N	N	Y ²	N	N
SFR Smart Irrigation Controller Rebate	Y	N	N	(Y)	N
SFR Irrigation & Landscape Evaluation ²	Y	N	N	N	N
SFR Wireless Rain Sensor Giveaways	Y	N	N	(Y)	N
General Toilet and Urinal Rebate					
Commercial, Industrial, and Institutional Facility Water Audits					
Water Conservation Research Partnerships					
Water Conservation Kits	Y	N			
Not Recommended Programs					
Residential Toilet Rebate Only	(Y)	N	N	(Y)	N
Alternative Irrigation Source Rebate Program					
SFR Soil Moisture Sensor Rebates					

- Programs Should include:**
- SFR Florida Water Star Ordinance
 - SFR Florida-Friendly Landscaping Rebate
 - Continued/Expanded Watering Enforcement
 - SFR Smart Irrigation Controller Rebate
 - SFR Irrigation and Landscape Evaluation
 - SFR Wireless Rain Sensor Giveaways
 - Toilet and Urinal Rebates
 - CII Facility Water Audits
 - Research Partnerships
 - Conservation Kits

Legend

Y = Yes, the program is currently offered and the PRWC invoice lists the implementations.
 (Y) = Yes, the program is currently offered, but the PRWC invoice lists no implementations.
 N = Not currently implemented

1. For all programs except for watering enforcement and irrigation and landscape evaluations, status is based on the February 2019 PRWC invoicing spreadsheet, including both those which have been implemented and those member governments which plan to implement.
 2. Utility only implement watering enforcement issuing warnings and not citations/fines.

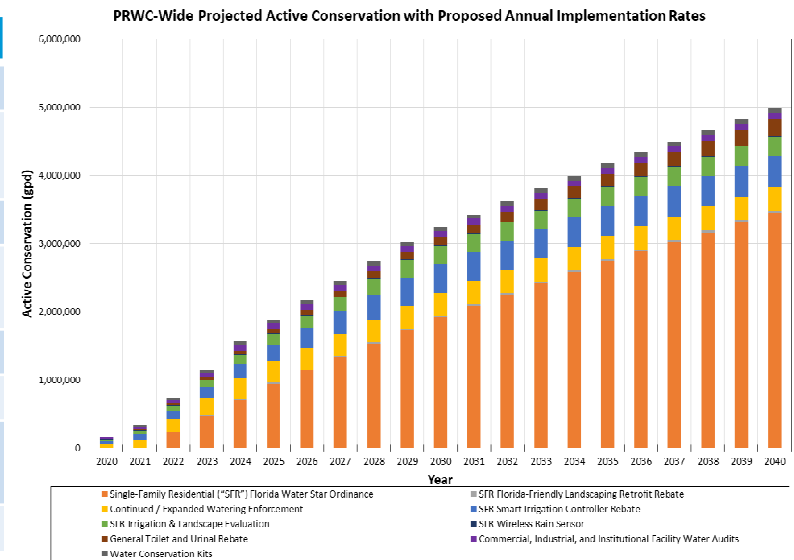
And take action on selected programs to hit 2040 targets.

6-7 MGD can be saved through **passive** conservation.

5 MGD or more can be saved through **active** conservation programs.

Table 6 Approximate Residential Passive Water Conservation Potential

PRWC Entity	Passive Conservation Potential (MGD) in Planning Horizon			
	Showerheads	Toilets	Dishwashers	Clothes-washers
City of Haines City	0.03	0.10	0.03	0.16
City of Winter Haven	0.08	0.35	0.06	0.43
City of Lakeland	0.15	0.63	0.11	0.84
City of Lake Wales	0.03	0.10	0.03	0.14
Polk County Utilities	0.22	0.62	0.19	0.99
PRWC Wide	0.62	2.3	0.54	3.1



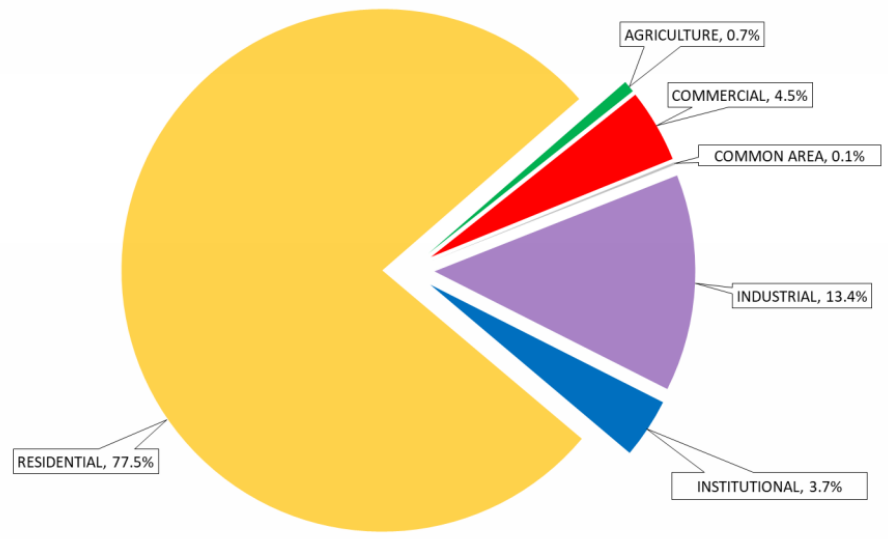
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Savings can be exceeded, but are difficult to quantify.

- Active conservation estimates **can be exceeded*** with enhancements, such as:
 - Increased outreach
 - Increased enforcements
 - Aggressive water rate structures

*Conservation is largely behavior-based, so enhancements are difficult to measure. Refined data collection and monitoring is critical to future evaluations of effectiveness.

CHART 2.1
CITY OF HAINES CITY
CURRENT POTABLE WATER USE DISTRIBUTION
BY DEVELOPMENT TYPE



Your region, Your water, Your voice at the table

Attachment: DMP_Conclusions 091620 (8027 : Demand Management Plan Results and Next Steps)

Example enhancements.

- **Expand Reuse**
- **Improve data collection and monitoring**
 - Increase the frequency of customer water usage data before and after program implementation.
 - Maintain GIS database.
 - Conduct annual data-driven program reviews.
- **Add staffing**
 - Confirm eligibility, maintain records, perform inspections.
 - Support outreach efforts.
- **Expand Outreach**
 - Target outreach based on data (e.g., outdoor irrigation audits, fixture rebates for older homes, CII audits).
 - **Focus on (150 gpcd) high water users.**

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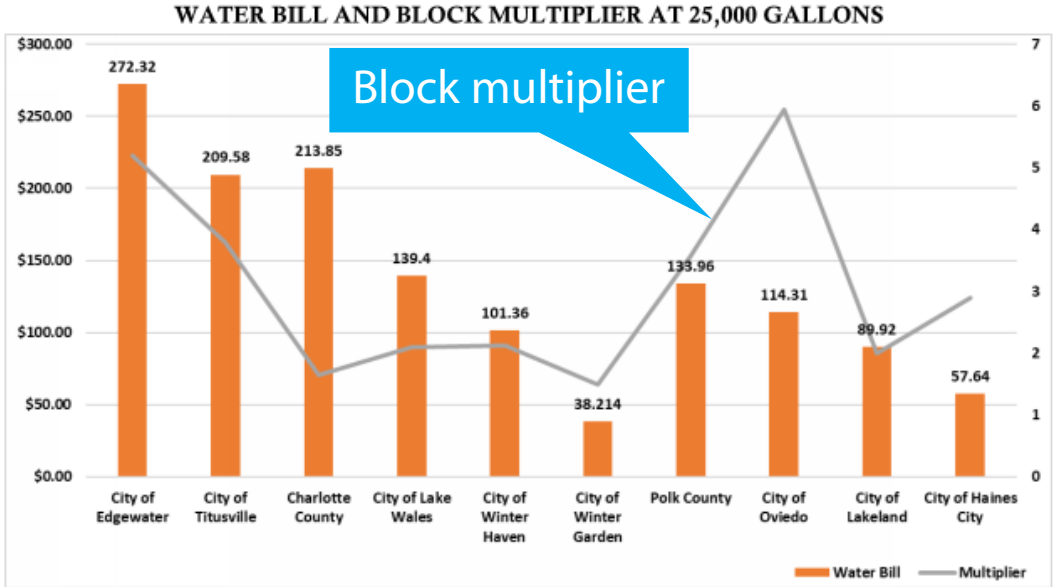


An aggressive rate structure can help.

DMP Findings: higher block multipliers (i.e. ratio of highest inclined block rate to base rate) typically result in lower monthly water usage.

Florida Utilities	Average Monthly Use (Gallons)
City of Edgewater	3,200
City of Titusville	3,600
Charlotte County	3,627
City of Lake Wales	4,554
City of Winter Haven	4,819
City of Winter Garden	5,181
Polk County	7,078
City of Oviedo	7,452
City of Lakeland	7,680
City of Haines City	8,851

Lowest to Highest



Lowest to Highest Water Usage

Rate structure recommendations.

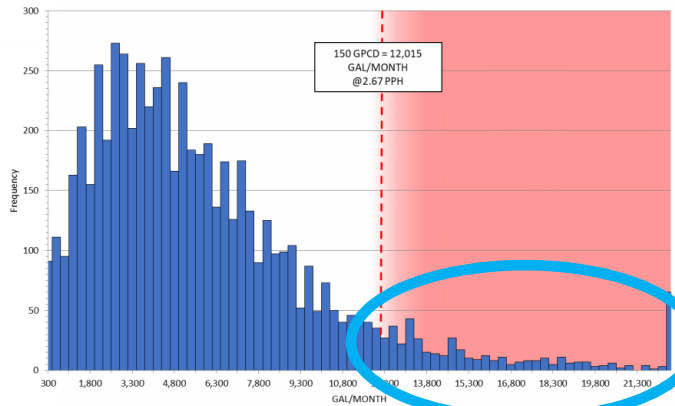
- Implement 4 water usage price tiers.
- Increase in the price per kgal from lowest to highest block: 3 to 5 times the lowest.
- Focus efforts on tiers above 15,000 gallons per month to target irrigation and wasteful water usage habits.

Example

City of Edgewater

	Amount	Tier Multiplier
Base Charge	\$ 13.20	
Usage Charge per kgal		
0-2,000	\$ 2.34	1.00
2,001-5,000	7.78	3.32
5,001-10,000	9.74	4.16
Above 10,000	12.16	5.20

CHART 6.1
CITY OF LAKE WALES
RESIDENTIAL WATER USE HISTOGRAM



Focus on the highest users.

Your region, Your water, \

Agenda

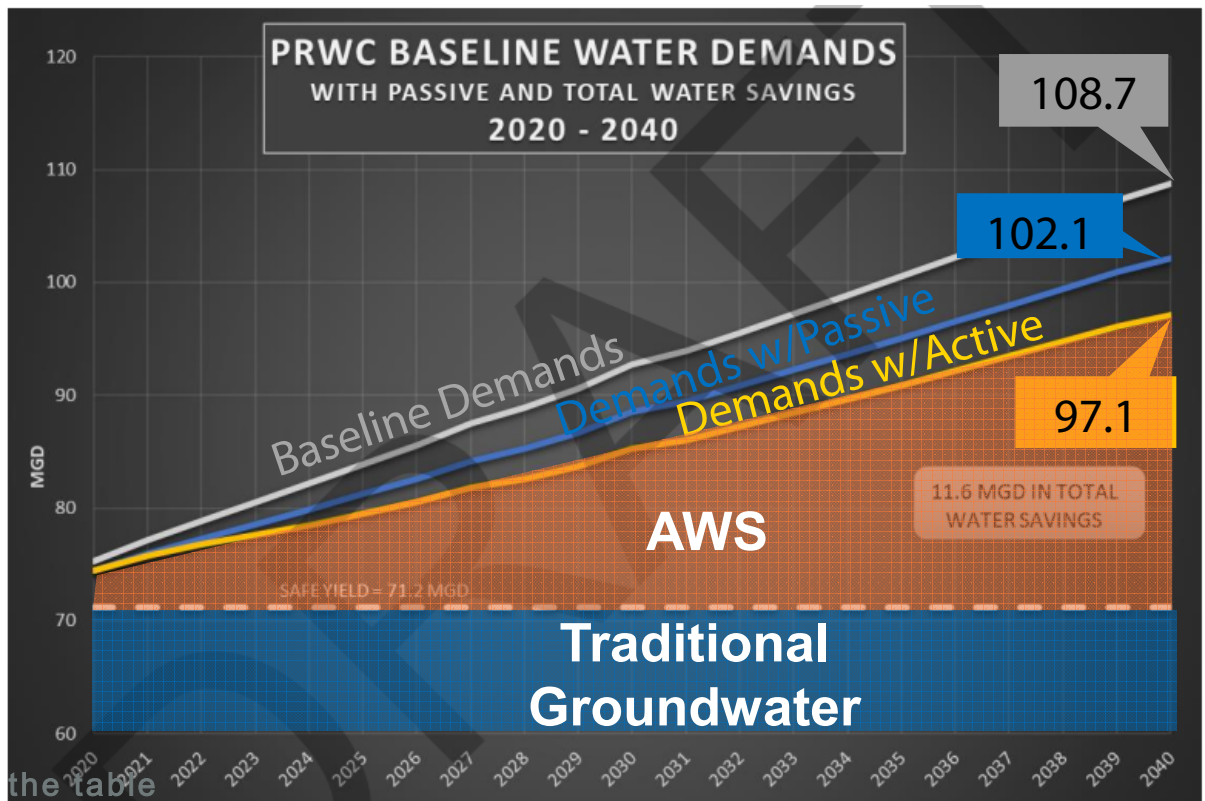
- Demand Management Plan overview
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Your region, Your water, Your voice at the table



The greater the conservation; the less water needed.

- 2018 PRWC-provided water demands estimated to be 108.7 MGD in 2040.
- Passive conservation drops water need down to 102.1 MGD.
- Active conservation drops water need down to 97.1 MGD.
- **More conservation means lower 2040 demands.**

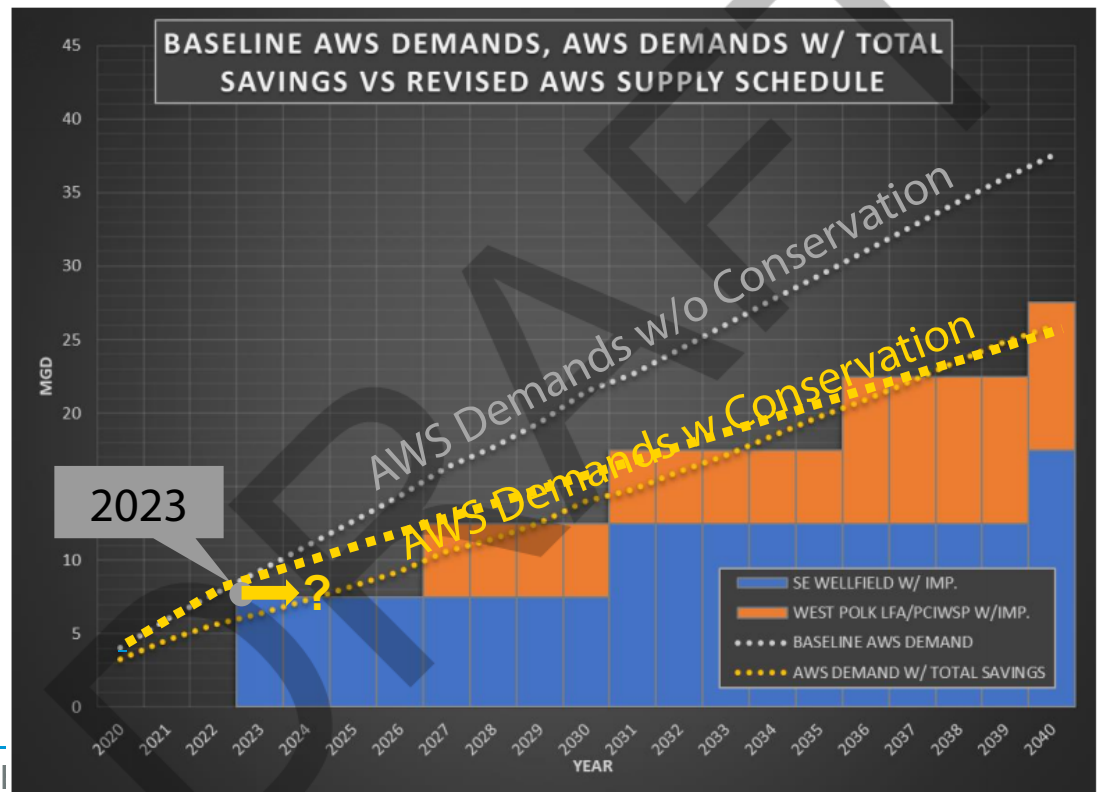


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And less water needed, the later AWS is developed.

- AWS projects are developed to meet demands which cannot be met by traditional groundwater.
- If demands decline, then AWS isn't needed as soon.
- 2018 demands put AWS needs at 2023.
- Conservation has the potential to defer future* AWS phases.

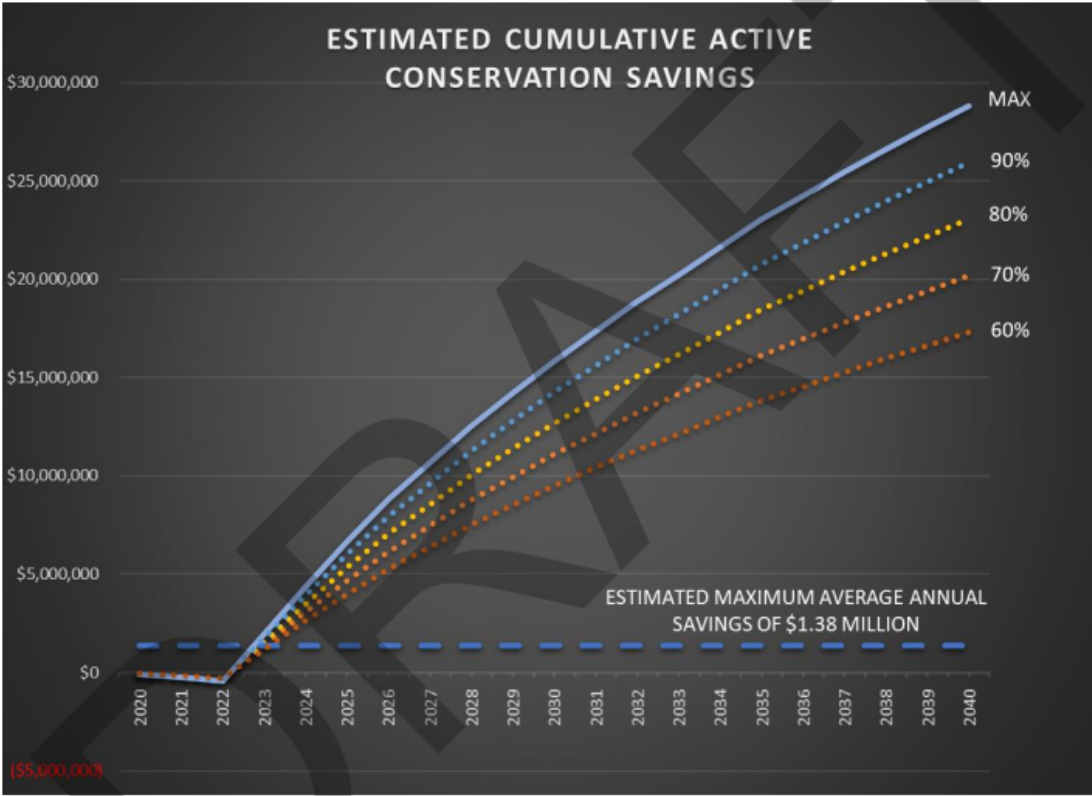
**Conservation is behavior-based and may take time to initiate*



Your region, Your water, Your voice at the tal

Deferred AWS means deferred costs.

- PRWC members are faced with a potential increase in water supply cost from \$2/kgal or less (for traditional supply) to up to \$6/kgal for AWS.
- Comparing the cost of implementing conservation programs to the cost of AWS, this could mean a savings of up to \$1.38M per year.
- Deferring AWS capital means a savings of between \$17M and \$29M in 2040.



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AWS costs and consumption go hand-in-hand.

- **AWS will increase rates.** How much? It will vary from utility to utility.
 - Depends on starting rates.
 - Depends on ratio of traditional water supply versus AWS delivered.
- **Increased rates will cause water use to decline.** How much? That depends on the customer and rate of increase.
 - Behavior depends on *price* elasticity (i.e. if the price increase is higher than inflation, it will likely impact customer. As a general rule, a 10% increase in “real” price could result in a 4% decline in consumption).
 - Behavior also depends on *income* elasticity (i.e. the rate change may not impact higher-income customers).
- **Each entity will need to determine the impact AWS has on their rates and determine how those rates impact revenue.**

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Agenda

- Demand Management Plan overview
- DMP recommendations and implementation goals
- AWS deferment
- PRWC's next steps

Your region, Your water, Your voice at the table



A schedule for implementation was developed.

Table 2a Recommendations for near-term implementation

STUDIED PROGRAM	RECOMMENDATION FOR PHASED IMPLEMENTATION			
	Fiscal Year 2020-2021 YEAR 1	Fiscal Year 21-22 YEAR 2	Fiscal Year 22-23 YEAR 3	Future
Dedicated Conservation Staffing	Begin - PRWC 3rd party. 1 Individual Continue - Polk County, Winter Haven, Lakeland	Continue - PRWC 3rd party. 1 individual Continue - Polk County, Winter Haven, Lakeland	Continue - PRWC staff + 3rd party (2 individual) Continue - Polk County, Winter Haven, Lakeland	Continue - PRWC staff 2 individuals+ Continue - Polk County, Winter Haven, Lakeland
Recommended Programs				
Single-Family Residential ("SFR") Florida Water Star Ordinance	Information gathering	Information gathering - Polk County	Begin - Member City - Adopt by reference	Continue - All member cities
SFR Florida-Friendly	Information gathering - Polk County, Winter Haven, Lakeland, Haines City, Lake Alfred, Lake Wales, Polk County, Polk City, Winter Haven	Expand - Polk County, Winter Haven Begin/Expand - Polk County, Winter Haven on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments
Continued / Expanded	Information gathering - Polk County, Winter Haven	Information gathering - Polk County, Winter Haven. Remaining member governments	Continue - Lakeland, Polk County, Winter Haven. Continue - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments
SFR Smart Irrigation Controller Rebate*	Expand - Polk County, Winter Haven Begin - PRWC on behalf of remaining member governments	Information gathering - Polk County, Winter Haven. Remaining member governments	Information gathering - Polk County, Winter Haven. Remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments
SFR Irrigation & Landscape Evaluation*	Expand - Lakeland, Polk County, Winter Haven Expand - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments
SFR Wireless Rain Sensor Giveaways	Expand - Lakeland, Polk County, Winter Haven Expand - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments
Residential Toilet Rebate Only*	Phase Out - PRWC 3rd party. Phase Out - Polk, Winter Haven, Lakeland	-	-	-
General Toilet and Urinal Rebate	-	Begin - Lakeland, Polk County, Winter Haven Begin - PRWC on behalf of all member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments
Commercial, Industrial, and Institutional Facility Water Audits	-	Begin - PRWC on behalf of remaining member governments	Continue - PRWC on behalf of all member governments	Continue - PRWC on behalf of all member governments
Water Conservation Research Partnerships	-	Begin - PRWC on behalf of all member governments	Continue - PRWC on behalf of all member governments	Continue - PRWC on behalf of all member governments
Water Conservation Kits*	Expand - Lakeland, Polk County, Winter Haven Expand - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments	Continue - Lakeland, Polk County, Winter Haven Continue - PRWC on behalf of remaining member governments
Legend				
* These programs are included in the FY 2020-2021 SWFWMD Cooperative funding application.				

Year 1
Recommendations

Year 2
Recommendations

Year 3
Recommendations

Future
Recommendations

The next step is to implement.

- In order to meet and exceed 2040 savings projections, the PRWC must take action.
- The DMP recommends the continuation of most conservation programs, and initiation of new ones.
- The DMP recommends implementing a data-driven approach to outreach to target highest water user groups.
- Such enhanced efforts requires more resources.
- PRWC has been notified of \$126,537 in cofunding from SWFWMD and CFWI for 3rd party support.
- UF/IFAS (Polk Extension) contract underway to implement preferred programs.

Your region, Your water, Your voice at the table



September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #10

SUBJECT

Action Item - Project Administrator Contract and Agreement

DESCRIPTION

On April 28, 2020, the City of Lakeland on behalf of the Polk Regional Water Cooperative (PRWC), published RFQ No. 0140 – Projects Administrator (CCNA). Two submissions were received by 2:00pm on May 19, 2020, the submission deadline. A selection committee, comprised of the PRWC Executive Director, the PRWC Legal Advisor and the Deputy City Manager of the City of Haines City reviewed and ranked the proposals for consideration by the PRWC Project Board which were 1) Caragh Group and 2) CES Consultants, Inc.

On July 15, 2020, the PRWC Projects Board (P-BOD) accepted the selection committee's recommendation and approved staff to begin negotiations with the Caragh Group. Staff has completed negotiations and is presenting the contract for consideration and approval.

Some provisions included in the proposed contract are:

- 2.0 Term: The agreement is to become effective upon execution by both parties, and shall remain in effect until the work identified through this Contract Agreement is complete, unless terminated as provided in the agreement.
- 6.0 Method of Payment for Services and Expenses: The "Consultant's Services fee schedule" as set forth in Attachment A shall be used as a basis for payment for services. The compensation in the Fee Schedule contemplates the inclusion of wages, salaries, taxes, insurance, overhead and profit.
- 8.0 Progress Meetings: The Consultant shall attend all meetings pursuant to the requirements for performance of this contract subject to the provisions of Attachment A.
- 11.0 Reasonable Access: During the term of this Agreement, Cooperative and its membership shall grant Consultant reasonable access to facilities, and documents and records under their respective control for purposes of fulfilling its obligations under this Agreement.
- 16.0 Termination: The Consultant or Cooperative can terminate this Agreement with 60 days' notice to the other party; however, if termination by Consultant, Consultant shall continue to perform services for a reasonable time while Cooperative engages a replacement consultant.
- 17.0 Assignment: The Consultant shall not assign or subcontract this Agreement, or any rights or any monies due or to become due hereunder without the prior, written consent of the Executive Director except that it may be assigned without such consent to a wholly owned subsidiary of either party.
- Attachment A - Compensation: Compensation shall be \$150,000 annually, irrespective of hours worked and tasks performed. The rate of compensation shall be adjusted annually, upon the date of contract commencement, based upon the Consumer Price Index (CPI) for all Urban Consumers, subject to availability of funds as determined by the Cooperative Project Board. Supplemental compensation, which must be approved in advance by the PRWC Executive Director, shall be limited to job-related travel outside the State of Florida.

RECOMMENDATION

Staff recommends approval of the Contract and Agreement for Projects Administrator with the Caragh Group, LLC.

FISCAL IMPACT

Funding was allocated and approved in the Combined Projects Phase 1 Scope of Work project budget that is co-funded by Southwest Florida Water Management District.

**CONTRACT AND AGREEMENT FOR
PROJECTS ADMINISTRATOR**

THIS CONTRACT AND AGREEMENT (Agreement) is entered into by and between the **POLK REGIONAL WATER COOPERATIVE**, an independent special district created under the laws of the State of Florida whose address is; 330 West Church Street, Bartow, Florida 33831. Hereinafter referred to “**Cooperative**”, AND the **CARAGH Group, LLC**, a Florida limited liability company whose address is: 1320 Conservancy Drive East, Tallahassee, Florida 32312. Hereinafter referred to as “**Consultant**”, and collectively known as (the “**Parties**”)

R E C I T A L S

WHEREAS, The Cooperative has requested competitive proposals under guidelines established by the State of Florida in the Consultants Competitive Negotiation Act (Chapter 287.055 Florida Statutes) for consulting services associated with the Phase I Combined Projects Administration; and,

WHEREAS, Consultant has submitted to the Cooperative, a proposal in accordance with the terms of said request for competitive proposals; and,

WHEREAS, The Cooperative, in the manner prescribed by law, has determined and declared the aforesaid Consultant to be the best evaluated Proposer for the said work and hereby duly awards to the Consultant a contract therefor, for the sum or sums named herein; and

WHEREAS, Consultant is willing to provide such consulting services;

NOW, THEREFORE, in consideration of the compensation to be paid to the Consultant, and of the mutual agreements herein contained, the parties hereto have agreed, and hereby agree, as follows:

1.0 INCORPORATION OF RECITALS

The foregoing recitals are true and correct and are incorporated herein by reference.

2.0 TERM

This Agreement is to become effective upon execution by both parties, and shall remain in effect until the work identified through this Contract Agreement is complete, unless terminated as provided for herein.

3.0 DESCRIPTION OF SERVICES

3.1. The terms Consultant and Project Administrator are used interchangeably throughout.

3.2 The Scope of Services generally to be provided include but are not limited to the scope of work listed in the **Request for a Statement of Qualifications** which is hereby made a part of this Agreement.

4.0 CHANGES IN THE SCOPE OF SERVICES

Cooperative may make reasonable changes in the services at any time by giving written notice to Consultant.

5.0 COST AND SCHEDULE

Consultant shall perform services in conformance with the mutually agreed upon cost and schedule provided to the Cooperative in writing and set forth in “**Attachment A – Fee Schedule**”.

6.0 METHOD OF PAYMENT FOR SERVICES AND EXPENSES

6.1 The “Consultant’s Services fee schedule” (the ‘**Fee Schedule**’) as set forth in **Attachment A** shall be used as a basis for payment for services under this Agreement. The compensation in the **Fee Schedule** contemplates the inclusion of wages, salaries, taxes, insurance, overhead and profit.

6.2 Payments due Consultant under this Agreement shall be made by check and mailed to the address or Post Office Box identified in the remittance instructions on the Consultant’s most recent invoice.

7.0 RIGHT TO INSPECTION

7.1 Cooperative or its agents shall at all times have the right to review or observe the services performed by Consultant.

7.2 The Consultant shall not be relieved of any of its responsibilities under this Agreement based on the Cooperative’s inspections and observances of the Consultant.

8.0 PROGRESS MEETING

The Consultant shall attend all meetings pursuant to the requirements for performance of this contract subject to the provisions of Attachment A.

9.0 INSURANCE HOLD HARMLESS/INDEMNIFICATION

Consultant shall maintain in force during the term of this Agreement, at its own expense, insurance as set forth in **Attachment B in the Request for a Statement of Qualifications**, as modified, which is hereby made a part of this Agreement and shall be bound by the terms of the Hold Harmless/Indemnification provisions expressed therein.

10.0 SAFETY

Consultant agrees to comply with Cooperative's published safety standards while on the property of Cooperative.

11.0 REASONABLE ACCESS

During the term of this Agreement, Cooperative and its membership shall grant Consultant reasonable access to facilities, and documents and records under their respective control for purposes of fulfilling its obligations under this Agreement.

12.0 COMPLIANCE WITH LAWS AND REGULATIONS

12.1 Consultant shall comply with all federal, state and local regulations, including, but not limited to, nondiscrimination, wages, social security, worker's compensation, licenses, and registration requirements.

12.2 No person, on the grounds of race, creed, color, religion, national origin, age, gender or disability, shall be excluded from participation in, be denied the proceeds or benefits of; or be otherwise subjected to discrimination in performance of this Agreement.

12.3. Consultant shall comply with all security and administrative requirements of the Florida Department of Environmental Protection and shall comply with all controlling laws and regulations relevant to the services they are providing under this Agreement.

12.4. The FDEP considers the employment of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. If the Consultant knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Agreement.

12.5 PURSUANT TO CHAPTER 558.0035 FLORIDA STATUTES, AN INDIVIDUAL EMPLOYEE OR AGENT MAY NOT BE HELD INDIVIDUALLY LIABLE FOR NEGLIGENCE PROVIDED THAT THE PROVISIONS OF CHAPTER 558.0035 FLORIDA STATUTES ARE SATISFIED.

13.0 DOCUMENTS

13.1 The parties acknowledge that the Cooperative is a Florida independent special district and subject to the Florida Public Records Law.

IF THE CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE COUNTY'S CUSTODIAN OF PUBLIC RECORDS AT: RECORDS MANAGEMENT

**LIASON OFFICER, POLK COUNTY, 330 WEST CHURCH ST,
BARTOW, FL 33830, TELEPHONE: (863) 534-7527, EMAIL:
RMLO@POLK-COUNTY.NET**

In accordance with Florida Statute §119.0701, the Consultant shall keep and maintain public records required by the Cooperative in performance of services pursuant to this Agreement. Upon request from the Cooperative's Coordinator shall provide the Cooperative with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided pursuant to Florida Statute Chapter 119 or as otherwise provided by law. Consultant shall ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Agreement and following completion of this Agreement if the Consultant does not transfer the records to the Cooperative. Consultant shall, upon completion of this Agreement will, transfer, at no cost, to the Cooperative all public records in possession of the Consultant or keep and maintain public records required by the Cooperative to perform services pursuant to this Agreement. If the Consultant transfers all public records to the Cooperative upon completion of this Agreement, then the Consultant shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Consultant keeps and maintains public records upon completion of this Agreement, the Consultant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Cooperative, upon request from the Cooperative's Coordinator in a format that is compatible with the information technology systems of the Cooperative.

13.2 Any work performed under this Agreement by Consultant shall not be copyrighted by Consultant and shall become the sole property of the Cooperative.

13.3 The Consultant shall maintain all financial books, records and documents directly pertinent to performance under this Agreement in accordance with United States generally accepted accounting principles (US GAAP) consistently applied for three (3) years following termination, or until June 30, 2028, whichever is later and shall allow access to such records by the Cooperative, SWFWMD and the FDEP for audit purposes. The Consultant understands its duty, pursuant to Section 20.055(5), F.S., to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing. The Consultant will impose this requirement, in writing, on its subcontractors, if any.

14.0 DISCRIMINATION

Pursuant to Subsection 287.134(2)(a), F.S., an entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a

public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity.

15.0 PUBLIC ENTITY CRIME

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on contract to provide any goods or services to a public entity; may not submit a bid, proposal or reply on a contract with a public entity to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a grantee, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, F.S. for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.

16.0 TERMINATION

Consultant or Cooperative can terminate this Agreement with 60 days' notice to the other party; however, if termination by Consultant, Consultant shall continue to perform services for a reasonable time while Cooperative engages a replacement consultant.

17.0 ASSIGNMENT

17.1 Consultant shall not assign or subcontract this Agreement, or any rights or any monies due or to become due hereunder without the prior, written consent of Executive Director except that it may be assigned without such consent to a wholly owned subsidiary of either party.

17.2 If upon receiving written approval from Executive Director, any part of this Agreement is subcontracted by Consultant, Consultant shall be fully responsible to Cooperative for all acts and/or omissions performed by the subcontractor as if no subcontract had been made.

17.3 If Cooperative determines that any subcontractor is not performing in accordance with this Agreement, Cooperative shall so notify Consultant who shall take immediate steps to remedy the situation.

17.4 If any part of this Agreement is subcontracted by Consultant, prior to commencement of any work by the subcontractor, Consultant shall require the subcontractor to provide Cooperative and its affiliates with insurance coverage as set forth by the Cooperative Director of Risk Management.

17.5 Consultant may merge or be acquired by another company or entity, or change the name of the corporation, and continue to perform under the terms of this contract without necessitating a new or additional Request for Qualifications, or a similar solicitation process, by the Cooperative, so long as the Consultant of record identified in the Notice provision herein, remains active and

responsible for the scope of services, so long there is no conflict of interest between the new identity and the Cooperative.

18.0 INDEPENDENT CONTRACTOR

Consultant shall be considered an independent contractor during the term of this Agreement.

19.0 DEFAULT

If, during the term of this Agreement, Consultant shall be in default of any of the material provisions of this Agreement, Cooperative may suspend its performance hereunder until such delinquency or default has been corrected provided, however that no suspension shall be effective unless and until Cooperative gives written notice of the default to Consultant with at least (10) days to cure such default. If Consultant falls to correct such delinquency or default within thirty (30) days of suspension by Cooperative, Cooperative may terminate this Agreement.

20.0 NOTICE

With the exception of emergencies which notice will be by telephone, any notices required to be given by the terms of this Agreement shall be delivered by hand or mailed, certified mail return receipt requested, to:

For Consultant: Stephen James
CARAGH Group, LLC
1320 Conservancy Drive East
Tallahassee, Florida 32312
(850) 228-6229

For Cooperative: Executive Director or Designee
Polk Regional Water Cooperative
330 West Church Street
Bartow, Florida 33831-9005
c/o County Attorney

21.0 GOVERNING LAW & VENUE

This Agreement is made and shall be interpreted, construed, governed, and enforced in accordance with the laws of the State of Florida, without regard to such state’s choice of law provision which may dictate that the law of another jurisdiction shall apply. Venue shall be Polk County, Florida, or the United States District Court in and for the Middle District of Florida, Tampa Division.

22.0 HEADINGS

Paragraph headings are for the convenience of the parties only and are not to be construed as part of this Agreement.

23.0 SEVERABILITY

In the event any portion or part of this Agreement is deemed invalid, against public policy, void, or otherwise unenforceable by a court of law, the parties shall negotiate an equitable adjustment in the affected provision of this Agreement. The validity and enforceability of the remaining parts thereof shall otherwise be fully enforceable.

24.0 THIRD PARTY RIGHTS

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than Cooperative and Consultant. Further, no third parties shall rely upon any of the rights and obligations created under Grant Agreement No. WS011, Catalog of State Financial Assistance No. 37.100 between FDEP and SWFWMD and Grant Agreement No. WS012, Catalog of State Financial Assistance No. 37.100 between FDEP and SWFWMD.

25.0 PROHIBITION AGAINST CONTINGENT FEES

Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the Consultant, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Agreement.

26.0 ENTIRE AGREEMENT

This Agreement; Schedules; Attachments; Appendices and Exhibits attached hereto, constitutes the entire agreement between Cooperative and Consultant with respect to the services specified and all previous representations relative thereto, either written or oral, are hereby annulled and superseded.

27.0 TRUTH-IN-NEGOTIATION CERTIFICATE

Signature of this Agreement by Consultant shall act as the execution of a truth-in-negotiation certificate stating that wage rates and other factual unit costs supporting the compensation of this Agreement are accurate, complete, and current at the time of contracting. The original contract price and any additions hereto shall be adjusted to exclude any significant sums by which the Cooperative determines the contract price was increased due to inaccurate, incomplete, or non-current wage rates and other factual unit costs. All such contract adjustments shall be made within one (1) year following the end of this Agreement.

28.0 EFFECTIVE DATE

This Agreement shall become effective on the later of the dates following the Parties' signatures below.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the dates indicated below.

COOPERATIVE:

Polk Regional Water Cooperative

By: _____
Timothy J. Pospichal, Chair

DATE: _____

ATTEST: _____
George Lindsey, Secretary/Treasurer

CONSULTANT:

CARAGH Group, LLC

BY: _____
Stephen M. James, Manager

DATE: _____

ATTEST: _____

ITS: _____

(CORPORATE SEAL)

APPROVED AS TO FORM AND CORRECTNESS:

Edward P. de la Parte, Legal Counsel

Attachment: Project Administrator Agreement (20-09-08)a (7978 : Action Item - Project Administrator Contract and Agreement)

Attachment A

1. Compensation shall be \$150,000.00 annually, irrespective of hours worked and tasks performed. Payment shall be made in equal monthly installments, due on the first day of each month. The rate of compensation shall be adjusted annually, upon the date of contract commencement, based upon the Consumer Price Index for All Urban Consumers, subject to availability of funds as determined by the Cooperative Project Board.
2. Supplemental compensation, which must be approved in advance by the PRWC Executive Director, shall be limited to job-related travel outside of the State of Florida. Covered expenses for this limited purpose shall include airfare; privately owned or commercially leased vehicle; lodging; and meals. These covered expenses are further limited, as follows:
 - a. Airfare shall be for coach or tourist class.
 - b. Car rental shall be based on a mid-size car or smaller and the actual cost of fuel paid.
 - c. If a privately owned vehicle is used for out of state travel, the Standard Internal Revenue Service (IRS) mileage rate shall be used to calculate costs. Beginning on January 1, 2020, this rate is 57.5 cents per mile driven for business use, down one half of a cent from the rate for 2019.
 - d. There is no per diem rate for lodging as rates vary by location and date, however, Consultant shall use every effort to secure reasonable accommodations without upgrade. Actual parking rates are included as covered expenses.
 - e. Meals and incidental expenses (M&IE) shall comport with IRS Notice 2019-55, and the per diem rates for taxpayers in the transportation industry, which are currently \$66 for any locality of travel in the continental United States.
 - f. In the event Cab fare is incurred, the covered expense shall be the actual cost of cab service.
 - g. Entertainment and alcohol are specifically excluded.

Attachment B

Insurance and Indemnification

INSURANCE REQUIREMENTS

Polk Regional Water Cooperative Projects Administrator

GENERAL

During the course of the agreement, the Consultant will acquire and maintain insurance coverages as set forth below and as the Cooperative from time to time determines reasonably necessary based upon the Consultant's duties and obligations. The required insurance shall be in such coverage amounts and have a self-insured retention or deductible as set forth below and as the Cooperative may establish in consultation with its risk management advisors and attorneys, with the Cooperative and the City of Lakeland named as additional insureds on applicable policies. At its directive, policies shall contain a waiver of subrogation in favor of the Cooperative. All insurance coverage shall be written with a company having an A.M. Best rating of at least the "A" category and size category of VIII. The Consultant shall provide the Cooperative original Certificates of Insurance satisfactory to the Cooperative to evidence the required coverage. In the event that any applicable coverage is cancelled by the insurer for any reason, or if the Consultant cannot get adequate coverage, the Consultant shall immediately notify the Cooperative of such cancellation and shall obtain adequate replacement coverage conforming to the requirements herein and provide proof of such replacement coverage within ten (10) days after the cancellation of coverage. The Cooperative agrees to pay the Consultant the reasonable cost for the provision of insurance that is in addition to the coverage set forth below so long as the Consultant gets three quotes for the Cooperative required additional insurance

MINIMUM INSURANCE COVERAGE AND OTHER REQUIREMENTS

Deductibles. The Cooperative, SWFWMD and the Florida Department of Environmental Protection ("FDEP") shall be exempt from, and in no way be liable for, any sums of money representing a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Consultant.

Required Coverages. The Consultant shall maintain the following minimum insurance coverage during the term of this Agreement:

- a) Comprehensive General Liability Insurance. The Consultant shall provide adequate comprehensive liability insurance coverage and hold such liability insurance at all times during this Agreement. The minimum limits shall be \$200,000 for each person and \$300,000 per occurrence.
- b) Commercial Automobile Insurance. If the Consultant's duties include the use of a commercial vehicle, the Consultant shall maintain automobile liability, bodily injury and property damage coverage. Insuring clauses for both bodily injury and property damage shall provide coverage on an occurrence basis. The minimum limit shall be as follows:

<u>\$200,000/300,000</u>	<u>Automobile Liability for Company-Owned Vehicles, if applicable</u>
<u>\$200,000/300,000</u>	<u>Hired and Non-owned Automobile Liability Coverage</u>
- c) Worker's Compensation. The Consultant shall comply with the workers' compensation requirements of Chapter 440, F.S., and provide coverage within statutory limits for the services being performed.

Annex A

Cooperative Members

POLK REGIONAL WATER COOPERATIVE MEMBER GOVERNMENTS

City of Auburndale

City of Bartow

City of Davenport

Town of Dundee

City of Eagle Lake

City of Fort Meade

City of Frostproof

City of Haines City

City of Lake Alfred

Town of Lake Hamilton

City of Lakeland

City of Lake Wales

City of Mulberry

City of Polk City

Polk County Government

City of Winter Haven

INDEMNIFICATION

To the fullest extent permitted by laws and regulations, and in consideration of the amount stated on any Agreement Purchase Order or Task Authorization, the Consultant shall indemnify and hold harmless the Cooperative, and its members, officers, and employees, from all liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the Consultant and other persons employed or utilized by the Consultant in the performance of this Contract.

In any and all claims against the Cooperative, or any of its members, officers, or employees, by any person employed or utilized by the Consultant in the performance of this Contract, this indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Consultant or any other person or organization under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts, nor shall this indemnification obligation be limited in any way by any limitation on the amount or type of insurance coverage provided by the Cooperative, the Consultant, or any other person or organization.

Applicability: It is the express intent of the Consultant that this agreement shall apply for the project(s) or time period indicated below. (Check and complete one):

_____ **Agreement is applicable to all contracts, purchase orders and other work performed for the Cooperative for the time period of not more than five (5) years.**

_____ to _____
(Date) (Date)

(OR)

Agreement is limited to Purchase Order # _____, or Contract dated _____.

Subrogation: The Consultant and its Subcontractors shall require their insurance carriers, with respect to all insurance policies, to waive all rights of subrogation against the Cooperative, except for "Professional Liability." In the case of "Professional Liability," the Consultant and its Subcontractors shall require their insurance carriers to waive all rights of subrogation except in situations where gross negligence is shown on the part of the Cooperative.

Release of Liability: Acceptance by the Consultant of the last payment shall be a release to the Cooperative and every officer and agent thereof, from all claims and liability hereunder for anything done or furnished for, or relating to the work, or for any act or neglect of the Cooperative or of any person relating to or affecting the work unless otherwise specified in a written agreement between Consultant and Cooperative at the time of final payment.

Attachment: Project Administrator Agreement (20-09-08)a (7978 : Action Item - Project Administrator Contract and Agreement)

Savings Clause: The parties agree that to the extent the written terms of this Indemnification conflict with any provisions of Florida laws or statutes, in particular Sections 725.06 and 725.08 of the Florida Statutes, the written terms of this indemnification shall be deemed by any court of competent jurisdiction to be modified in such a manner as to be in full and complete compliance with all such laws or statutes and to contain such limiting conditions, or limitations of liability, or to not contain any unenforceable or prohibited term or terms, such that this Indemnification shall be enforceable in accordance with and to the greatest extent permitted by Florida Law.

CARAGH Group, LLC
Name of Organization

BY: _____
Signature of Owner or Officer

Stephen @caraghtgroup.com
E-Mail Address

STATE OF : _____

(850)228-6229
Organization Phone Number

COUNTY OF: _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2020, by **Stephen M James**, as Manager of CARAGH Group, LLC, a Florida limited liability company, on behalf of said company, () who is personally known to me or () who produced _____ as identification.

(NOTARY SEAL)

Notary Public
Print Name: _____
My Commission Expires: _____

Notary Seal

POLK REGIONAL WATER COOPERATIVE

BY: _____
Ryan Taylor, Coordinator, Polk Regional Water Cooperative

DATE _____

September 16, 2020 Polk Regional Water Cooperative Regular Meeting
Agenda Item #11

SUBJECT

Combined Projects Update

DESCRIPTION

The Polk Regional Water Cooperative (PRWC) Projects Board (P-BOD) will receive an update on the final delivery of the West Polk Water Production Facility and Transmission System Conceptual Design Report. The P-BOD will also receive an update on Combined Projects schedule adjustments for Peace Creek and Peace River which are now reflected through an amendment to District Resolution 18-6, the Resolution which appropriates up to \$25M to the Combined Projects.

The PRWC technical consultants ("TeamOne") presented to and addressed PRWC Technical Advisory Team comments on a draft West Polk Conceptual Design Report (CDR) in May of 2020. Southwest Florida Water Management District (SWFWMD) conducted a Third Party Review of the CDR in June, 2020. TeamOne addressed the comments received from the third party review and provided a final copy of the CDR document to SWFWMD in July of 2020.

The result of the Third Party Review was that the West Polk project can be operational by mid-2027, that there were no major omissions or errors found in the conceptual design, and the cost analysis was reasonable. The SWFWMD Governing Board unanimously approved staff to authorize the project preliminary design phase in accordance with the cooperative funding agreement during the August 25, 2020 Governing Board meeting.

During the same board meeting, project status reports for the Peace Creek Integrated Water Supply project and the Peace River and Land Use Transitions project were presented. For both projects, a water availability collaboration and assessment between PRWC and the Peace River Manasota Regional Water Supply Authority is underway. This exercise has created delays in the delivery of certain project work products. SWFWMD Governing Board has authorized the excusal of the schedule delay in the cooperative funding agreement project plan to Tasks 4, 5, and 7 of the Peace River projects, and reaffirmed the excusal associated with the schedule delay for the completion of the third-party reviews for both projects. Related milestones reflected in the First Amendment District Resolution No. 18-06 (April 2019) have been excused.

RECOMMENDATION

Information Only.

FISCAL IMPACT

N/A

Your region, Your water, Your voice at the table



Polk Regional
Water Cooperative

PRWC BOD Combined Projects Status Update

September 16, 2020

Attachment: CombinedProjectsUpdate 091620 (8022 : Combined Projects Update)

Agenda



- West Polk water production facility and transmission system CDR completion.
- Peace Creek Integrated Water Supply Project and Peace River and Land Use Transitions schedule change.

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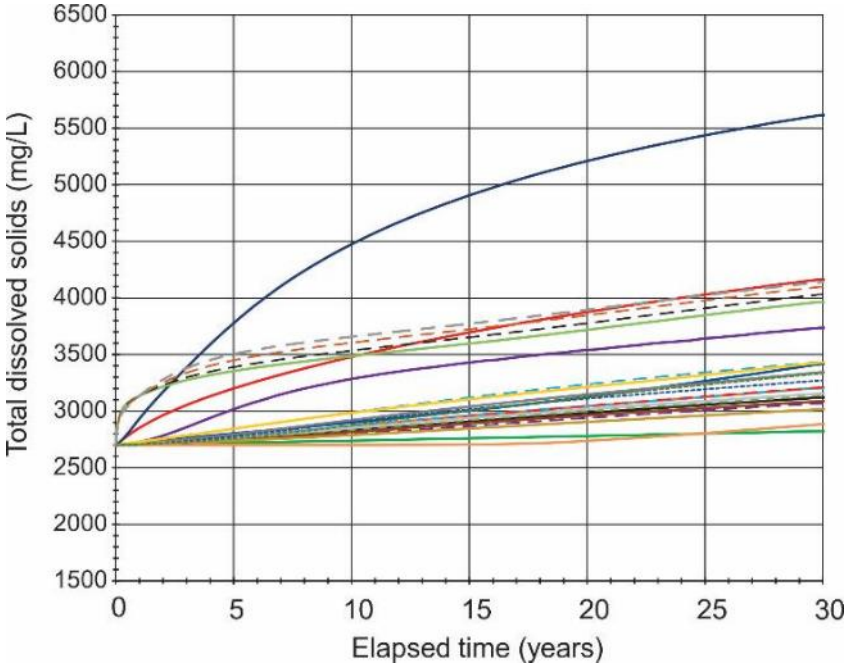


West Polk WPF Conceptual Design



- Aquifer performance (i.e. water quality and capacity) test completed in November, 2019 with positive results: 15 MGD capacity likely.
- Reverse osmosis (RO) treatment determined to be the best choice for treatment of the source water, just like the Southeast Wellfield:
 - TDS a primary driver for treatment; RO is effective and can handle long-term variability
 - RO is not proprietary
 - RO is cost competitive
- Plant is located in close proximity of population center, so modest (7 miles) transmission needed.

Modeled TDS over time



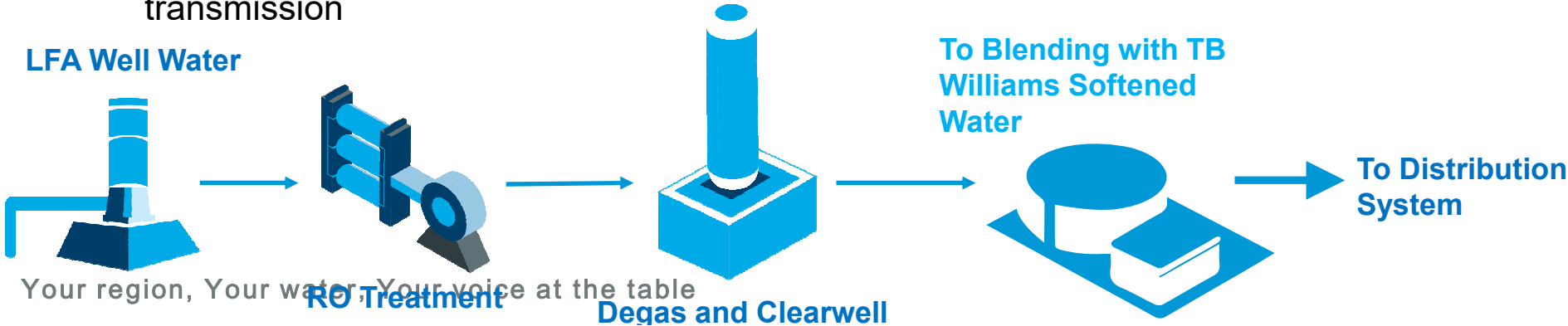
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West Polk Project Components

Major project components are very similar to the Southeast Wellfield project with an exception*:

- Brackish production wellfield (WUP application underway)
- Injection wellfield (UIC permit will be required)
- Reverse osmosis treatment
- Transmission pipeline
- *Sent to Lakeland’s TB Williams WTP for final chemical treatment, pumping and transmission



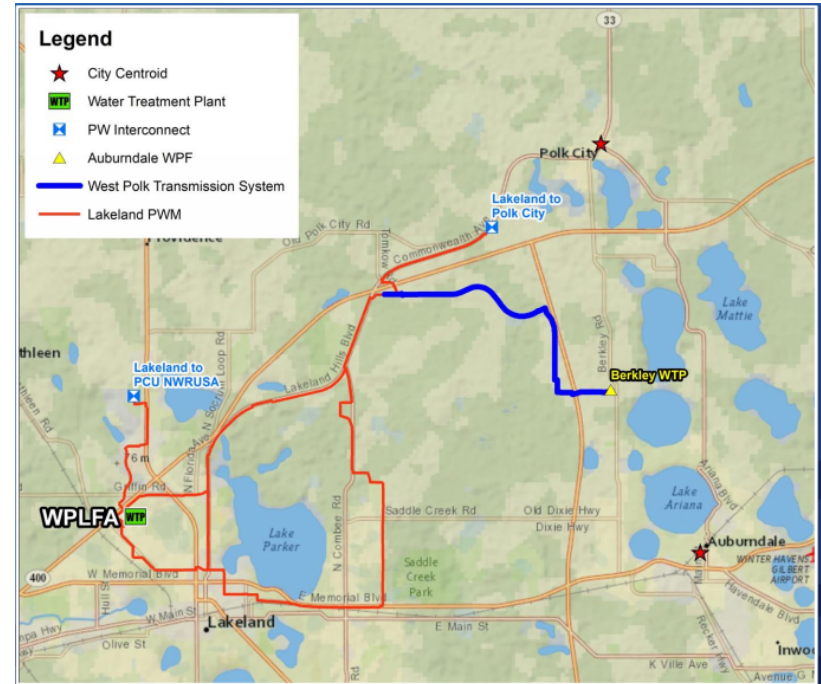
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West Polk CDR Conclusions



- Water production facility and transmission CDR reviewed by TAC, comments addressed, and document delivered to SWFWMD in May 2020.
- SWFWMD performed a 3rd party review with following outcome:
 - Facility could be operational by mid-2027.
 - No major errors or omissions in conceptual design.
 - Cost analysis is reasonable.
 - Another test well should be constructed in final design
- PRWC approved to move forward with the PDR.

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Peace Creek and Peace River Schedule



- The Peace Creek Integrated Water Supply Project will use water from the Peace Creek Canal as a source, and utilized wetland-treated water for aquifer recharge and offset and/or environmental restoration.
- The Peace River and Land Use Transitions Project will use water from the Peace River as a source, and will deliver either conventionally-treated water to customers, or will use a similar recharge and offset concept.
- A water availability assessment of Peace River/Peace Creek is underway between PRWC, SWFWMD, and PRMRWSA. Permit application will follow this assessment.
- SWFWMD staff have recommended that certain schedule milestones be excused.

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Peace Creek and Peace River Schedule



- The following schedule milestones have been incorporated into project plans.
- All West Polk and Southeast Milestones are being met.

	Task	Original Completion Date	Revised Completion Date
Peace Creek	N928 - Task 4 Preliminary Design Report (30% Design)	8/15/2020	6/4/2021
	N928 - Task 5 Third-Party Review	7/15/2020	5/1/2021
	N928 - Task 7 Easements and Permitting Report	9/30/2020	12/21/2021
Peace River	Q133 - Task 3 Conceptual UIC Feasibility	8/15/2020	4/2/2021
	Q133 - Task 5 Environmental biological surveys	5/30/2020	4/2/2021
	Q133 - Task 6 Third-Party Review	7/15/2020	3/2/2021

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