

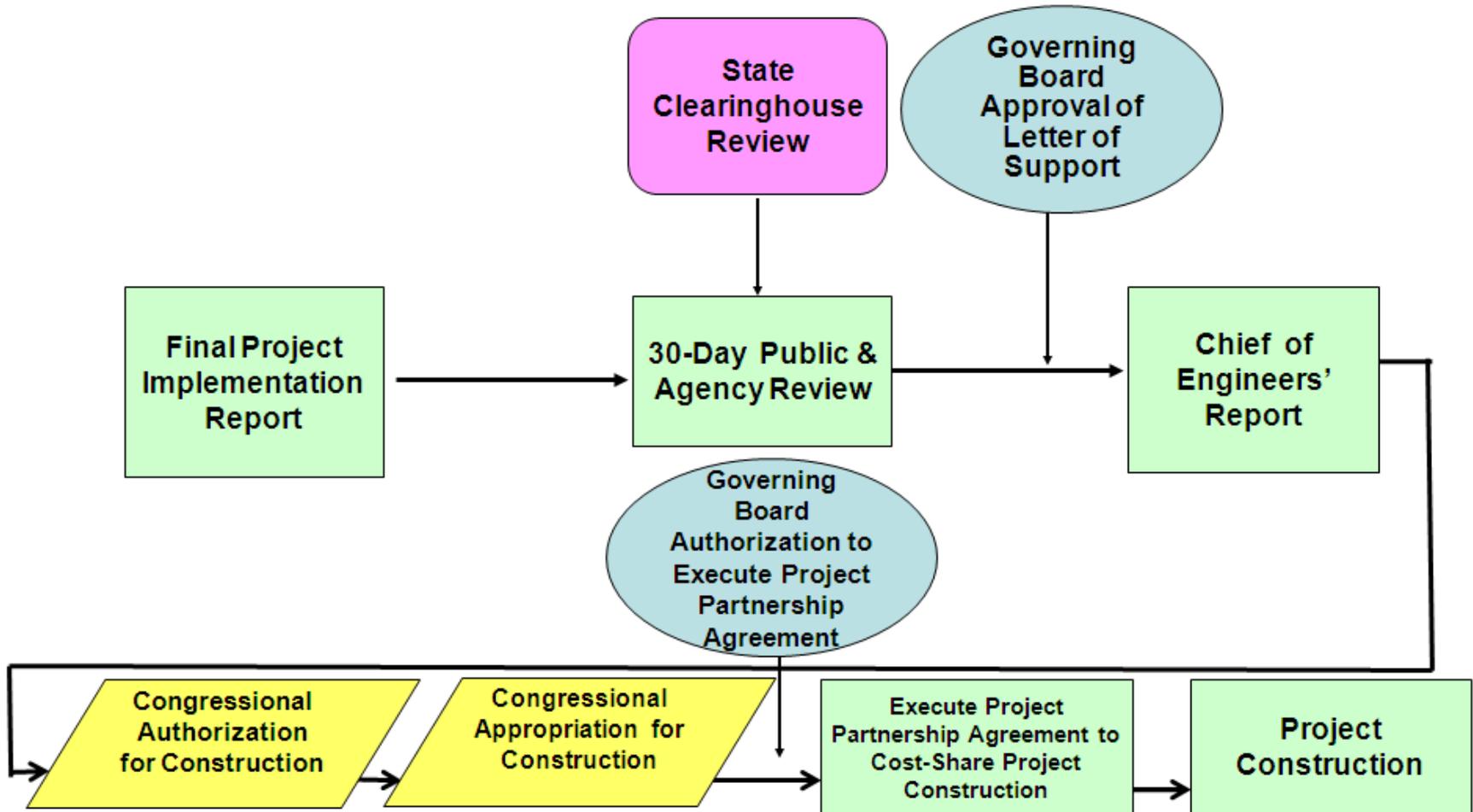
Managing Cost Share for the Comprehensive Everglades Restoration Plan

Broward County Water Preserve Areas Project Implementation Report Letter of Support

*South Florida Water Management District
Governing Board Meeting
June 14, 2012*

*Tom Teets, Federal Policy Chief
Everglades Policy and Coordination*

Corps Process and Governing Board Decision Points for CERP Projects



SFWMD – Corps of Engineers Comprehensive Everglades Restoration Plan CERP Cost-Share Credit Framework

- Established in Water Resources Development Act of 2000
- CERP program is an overall 50/50 cost share
 - Design- Governed by the Design Agreement approved by Governing Board and executed in 2001
 - Project Implementation Reports developed under the authority of Design Agreement
 - Project Construction Costs and Operations and Maintenance- Governed by Master Agreement approved by Governing Board and executed in 2009
 - Master Agreement established the framework for all Project Partnership Agreements for CERP
 - A Project Partnership Agreement must be executed before the Corps can initiate construction on a project

SFWMD – Corps of Engineers Comprehensive Everglades Restoration Plan CERP Cost-Share Credit Framework

From a Cost Share Management Perspective

- CERP Cost-Share = Design Funding + Executed PPAs
 - Only costs for projects with executed PPAs considered
 - Costs of Design and Project Construction(PPA) are accounted for and managed programmatically across projects
- Corps cannot get ahead of SFWMD in 50-50 cost-share balance
- CERP costs general breakdown:
 - Construction 75%
 - Land 25%
- 50/50 Operations and Maintenance is accounted for separately

SFWMD – Corps of Engineers Comprehensive Everglades Restoration Plan CERP Cost-Share Credit Framework

- **SFWMD receives credit for the following costs:**
 - Design
 - After a PPA is executed
 - Value of all lands acquired or to be acquired for the project with SFWMD/State funds
 - Cost of construction completed prior to or after PPA signing
 - Upon execution of an SFWMD contract for construction, entire amount obligated by the contract is creditable
- **Corps receives credit for the following costs:**
 - Design
 - After a PPA is executed
 - Value of lands acquired with Federal funds
 - Upon execution of a Corps contract for construction, entire amount obligated by the contract is creditable

Managing Cost Share Balance - Design

- Design activities managed by jointly developed Annual Work Plan
 - Controlled by individual agency's budget
- Current cost share balance for design activities is even
- Major design activities include:
 - Planning and development of Project Implementation Reports
 - Detailed Design and Plans and Specifications
 - Engineering during design and construction
 - Adaptive assessment and monitoring
 - Implementation of pilot projects and physical models
 - Program level activities
- In the recent past, Corps spending has been greater than SFWMD on design activities
- Working with Corps to reduce design spending gap
 - No detailed design until authorization

Managing Cost Share Balance Project Implementation

- Current projects with executed Project Partnership Agreements(PPA)
 - Picayune Strand Restoration- 2009
 - Indian River Lagoon South Phase 1- 2010
 - Site 1 Phase 1- 2010
 - Melaleuca Eradication Facility- 2010
- SFWMD excess credits at time of PPA execution- \$444 million

Managing Cost Share Balance

Current Status of CERP Programmatic Cost Share

- Design activities
- Construction contracts awarded
 - Picayune Strand- Merritt and Faka Union pump stations and road removal
 - C-44 Contract #1
 - Site 1 Impoundment Phase 1
 - Melaleuca Eradication Facility
- Value of current contracts awarded ~ \$256 million
- SFWMD's current credits over it's 50% share ~ \$200 million

Managing Cost Share Balance Programmatically

- Post PPA project implementation
 - Each major feature contracted individually
 - Cost share balance is evaluated annually and before each major contract
 - Options considered if cost share balance is inadequate
 - Reduce future design spending
 - Delay execution of contract
 - SFWMD ability to construct
 - SFWMD ability to provide cash toward cost share

CERP Projects for a Future Water Resources Development Act (WRDA)

- Letters of Support previously approved by Governing Board
 - C-43 West Reservoir
 - C-111 Spreader Canal
 - Biscayne Bay Coastal Wetlands Phase 1
- Letter of Support before the Governing Board today
 - Broward County Water Preserve Areas

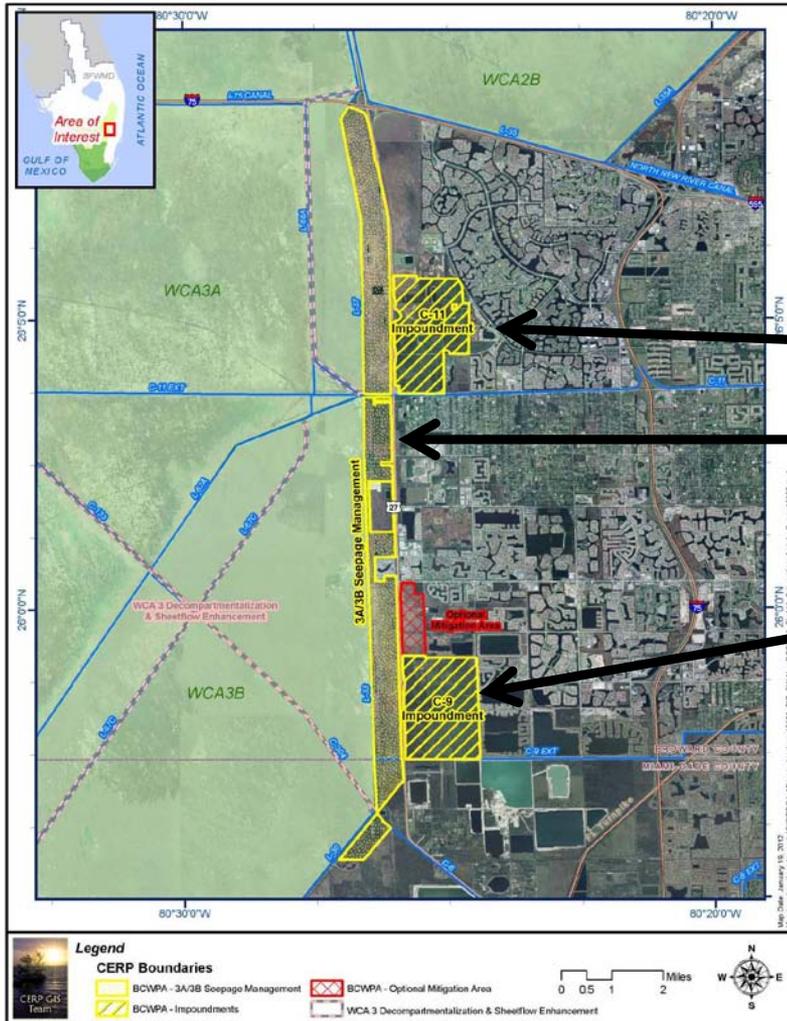
Cost Share Credits for the Next Generation of CERP Projects

- Assume PPA execution for the following projects
 - C-43 West Reservoir
 - C-111 Spreader Canal
 - Biscayne Bay Coastal Wetlands Phase 1
 - Broward County Water Preserve Areas
- SFWMD excess credit provided by these projects at the time of PPA execution- \$613 million
- Total cost of these four projects is \$1.7 billion
- Implementation of projects will continue for decades
- Cost share will be managed in the same way as for projects currently with PPAs



Questions

Part 2- Broward Water Preserve Areas Final Project Implementation Report



Project Components

- C-11 Impoundment
- WCA 3A/3B Seepage Management Area
- C-9 Impoundment

Broward County Water Preserve Areas Project History

- 1993 - Greater Everglades Ecosystem Restoration Plan
- 1994 – Lower East Coast Water Supply Planning
- 1994 – Water Supply Preserves
- 1994 – C&SF Restudy Reconnaissance Report
- 1996 - East Coast Buffer Project Feasibility Study
- 1996 – Land Suitability Analysis
- 1996 - Governor’s Commission Conceptual Plan
- 1999 – C&SF Restudy Report
- 2001 – Water Preserve Area Feasibility Study
- 2007 – Broward County Water Preserve Areas Project Implementation Report (PIR) and Environmental Impact Statement (EIS)
- February 2012 – Updated Final PIR

Broward County Water Preserve Areas Project Benefits

- Restores habitat function of WCA 3 by improving hydroperiods and hydropatterns
- Retains water in the Everglades by reducing seepage out of WCA 3
- Reduces nutrient loading to WCA 3
- Increases spatial extent of wetlands
- Provides recreational opportunities

Broward County Water Preserve Areas Project Costs

- Total Project Cost \$866.7 million
- SFWMD credit at PPA \$368 million

- Annual Monitoring \$480,000
 - (WQ \$380,000 + Mitigation \$100,000)
- Annual OMRR&R \$3,442,000
 - (O&M \$3,030,000 + Recreation \$412,000)
 - Portion of Recreation O&M cost shared with Broward County

Broward County Water Preserve Areas

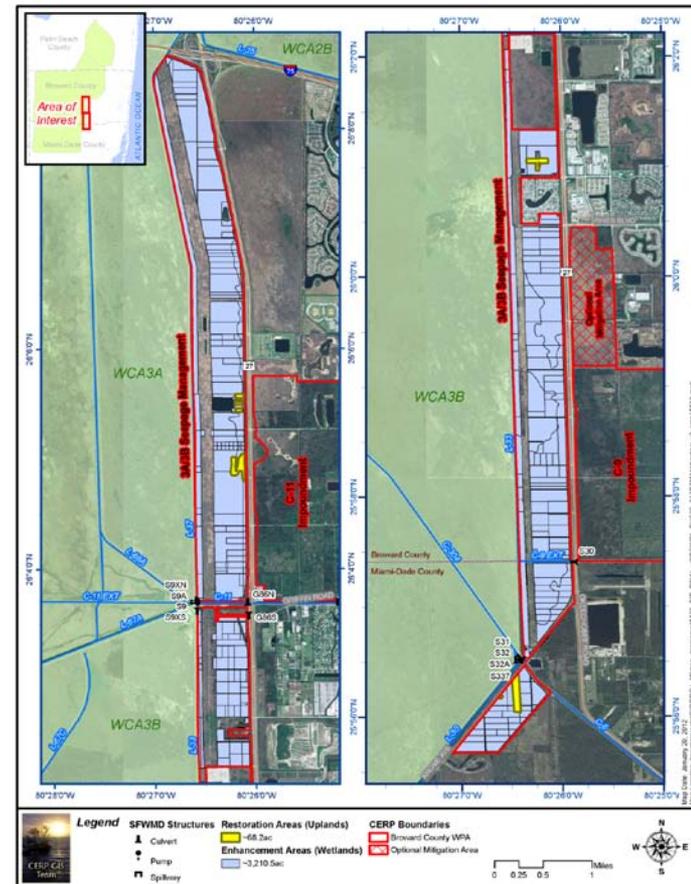
C-11 Impoundment

- 1,830-acre facility in C-11 Canal Basin, western Broward County
- 1,068 acres of water storage at a 4.3 ft. depth
- Mitigation areas include 475-acre buffer marsh along north end of project and 13-acre created marsh
- Intercepts and stores runoff from the western C-11 Basin that is currently pumped into WCA 3A
- Manages seepage losses, improves groundwater recharge
- Releases from the impoundment to C-11 canal during dry season recharge county wellfields, improve groundwater elevations in eastern C-11 Basin including water levels in Pond Apple Slough
- Recreational opportunities



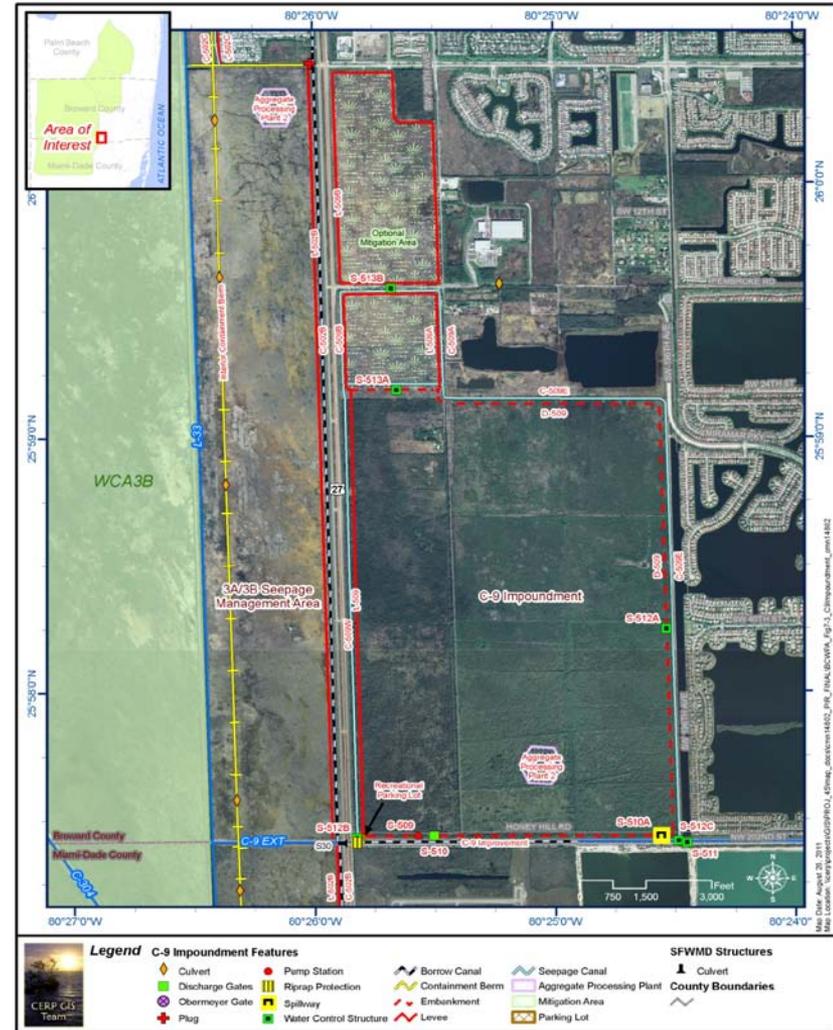
Broward County Water Preserve Areas WCA 3A/3B Seepage Management Area

- 4,353-acre area with an 11-mile protective levee
- Levees, canals, water control structures allow depths to 18 inches
- Creates hydraulic ridge to reduce seepage out of WCA 3A/3B
- Maintains longer inundation periods in Everglades marshes
- Improves hydropatterns for fish and wildlife within the Seepage Management Area
- Provides conveyance to C-9 Impoundment
- Recreational facilities: 13 miles of improved surface for jogging/bike riding



Broward County Water Preserve Areas C-9 Impoundment

- 1,807 acres in southwest Broward County
- 1,641 acres of water storage at a 4.3 ft. depth
- Collects and stores runoff from C-9 Basin
- Adds to storage available for runoff diverted from C-11 Basin
- Boosts control of seepage losses from WCA 3B
- Enhances groundwater recharge within the basin
- Recreational opportunities



Broward County Water Preserve Areas Recreational Opportunities

- State of Florida study identified unmet needs for natural, resource-based recreation facilities
- Project recreation features include biking, horseback riding, hiking, wildlife viewing, nature study, fishing and canoeing activities
- Looped nature trails are part of C-11 Impoundment (9 miles) and C-9 Impoundment (7 miles)
- Broward County and SFWMD to share the operation and maintenance of the 13-mile trail planned for the WCA 3A/3B Seepage Management Area

Broward County Water Preserve Areas Final PIR Review Comments Received

- Federal Agencies
 - Environmental Protection Agency
 - Department of Interior
- State Clearinghouse
 - Florida Fish and Wildlife Conservation Commission
 - Florida Department of Environmental Protection
 - Florida Department of Transportation
- Local Governments
 - Broward County
 - Miramar
 - Weston
 - Town of Southwest Ranches
 - South Broward Drainage District
- Florida Power and Light
- Public

Status of the Broward Water Preserve Areas Project Implementation Report

- Final Project Implementation Report Completed
- Headquarters Fatal Flaw Review Completed
- State and Agency Review Completed April 30
- Concurrent USACE South Atlantic Division/
Headquarters Review Completed May 9
- Chief's Signature Completed May 21, 2012
- Record of Decision Expected November 2012



Questions

Broward County Water Preserve Areas Governing Board Resolution

A RESOLUTION OF THE GOVERNING BOARD OF THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT AUTHORIZING THE EXECUTIVE DIRECTOR TO SIGN A LETTER TO THE U.S. ARMY CORPS OF ENGINEERS EXPRESSING SUPPORT FOR THE BROWARD COUNTY WATER PRESERVE AREAS REVISED FINAL INTEGRATED PROJECT IMPLEMENTATION REPORT AND ENVIRONMENTAL IMPACT STATEMENT (PIR/EIS) DATED FEBRUARY 2012, AND AFFIRMING SFWMD'S FINANCIAL CAPABILITY TO SATISFY THE OBLIGATIONS OF THE NON-FEDERAL SPONSOR DESCRIBED IN THE PIR/EIS, SHOULD A PROJECT PARTNERSHIP AGREEMENT (PPA) BE EXECUTED BY THE PARTIES; PROVIDING AN EFFECTIVE DATE.