Peace River Manasota Regional Water Supply Authority Legislative Priorities 2019

| Issue | Legislative/ Regulatory | Activity |
|---|-------------------------------|---|
| STATE | | |
| State Water Infrastructure Funding Support funding request for \$1M for 'Partially Treated Water Aquifer Storage & Recovery (ASR) Project' Support funding of state trust funds established in existing statutes. Water Protection and Sustainability Program; and West-Central Florida Water Restoration Action Plan Support the allocation of state funds for water infrastructure without creating additional bureaucracy by establishing a state water board or council. | Legislative | Submit project for State funding Monitor and participate in legislative process |
| Monitor legislation resulting from the Potable Reuse Commission recommendations | Legislative | Monitor legislative process |
| Monitor implementation of recent legislation and rules 'Florida Springs Act'; and 'Implementation of the Water and Land Conservation Constitutional Amendment. | Legislative and Regulatory | Monitor and participate in implementation process |
| Support acquisition of Orange Hammock Ranch to enhance water management and supply. | Multiple agencies | Monitor and participate in funding process |
| Support Senate confirmation of Southwest Florida Water Management District Governing Board Member appointments. | Legislative | Support Senate confirmations |
| FEDERAL | | |
| Support the continuation of tax-exempt financing and preserve the ability of water systems to use tax-exempt bonds. | Legislative | Monitor |
| Support the continuation of U.S. EPA as the lead agency for security at drinking water facilities and the explicit prohibition on the disclosure of security program information under federal, state and local information laws. | Legislative and U.S. EPA | Monitor |
| Support federal action to research and respond to impacts of climate change on the viability and sustainability of drinking water supplies. | Legislative and U.S. EPA | Monitor |
| Monitor rulemaking of the Clean Water Rule: Definition of 'Waters of the United States'. | U.S. EPA | Monitor |

STATE ISSUES

'Through Cooperation and collaboration the Authority and its members shall create, maintain and expand a sustainable, interconnected regional water supply system.'

State Water Infrastructure Funding

'Partially Treated Water Aquifer Storage and Recovery (ASR) Project

The Authority received \$1M in state water project appropriation in the current state budget. The Authority has successfully received a permit for the use of partially treated water for the existing ASR system, The Authority will submit a \$1M state funding request to the Legislature to continue the next step of the 'Partially Treated ASR Project' that will serve as a statewide model to advance water storage options in Florida.

Funding of Trust Funds

State statute currently establishes trust funds through the Water Protection and Sustainability Program (sections 403.890 and 403.891, F.S.) and West-Central Florida Water Restoration Action Plan (sections 373.0363, F.S.) that provide allocation of state funding through the water management districts. The Authority received funding through these trust funds in the past and supports funding for these trust funds in the state budget.

State Water Funding Policy

The Authority supports the allocation of state funds for water infrastructure without creating additional bureaucracy by establishing a state water board or council.

Potable Reuse Commission

The Florida Potable Reuse Commission (PRC) is a coalition of a diverse group of water resource, industry, agricultural and health professionals. The purpose of the PRC is to create a consensus driven partnership to develop the framework for the implementation of potable reuse in Florida. The framework will help advance potable reuse in Florida by augmenting future water supplies and protecting public health. The results and recommendations of the PRC will provide information for elected officials and regulatory agencies on statutory and regulatory needs.

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Recent Legislation and Rules

<u>Chapter 2016-1, L.O.F., 'Florida Springs Act'</u> creates the Florida Springs and Aquifer Protection Act to provide for the protection and restoration of outstanding Florida Springs, codifies the Central Florida Initiative, and updates and restructures the Northern Everglades and Estuaries Protection Program in addition to other issues.

<u>Chapter 2016-201, L.O.F., 'Implementation of the Water and Land Conservation Constitutional</u> Amendment' provides for the distribution of funds deposited into the Land Acquisition Trust Fund.

Acquisition of Orange Hammock Ranch

The Orange Hammock Ranch (OHR) property is 5,774± acres located in southeast Sarasota County east of I-75 within the City of North Port. The OHR property is on the Florida Forever Priority List and the SWFWMD has considered purchase of the property several times over the past two decades. Among considerations for the purchase of the OHR (e.g. natural system benefits), SWFWMD has previously cited benefits in relation to water supply, water quality, and flood protection.

Public ownership of the OHR offers benefits to both regional and local drinking water supply, protects existing water supply infrastructure and operations, and facilitates opportunities for development of future regional water supply projects on the adjacent RV Griffin Reserve to meet future public water supply needs of the region as well as protection and enhancement of the City of North Port's drinking water supply from Myakkahatchee Creek. Acquisition of OHR will also offer other significant public and environmental benefits in the region, including wildlife habitat connectivity, recreational opportunities, and enhanced flood protection.

Senate confirmation of Southwest Florida Water Management District Governing Board Members

Water Management District governing board members are appointed by the Governor, subject to confirmation by the Senate at the next regular session of the Legislature. Governing Board members up for confirmation in 2019 include Jeff Adams (representing Pinellas County), Ed Armstrong (representing Pinellas County), and Scott Wiggins (representing Hillsborough County).

FEDERAL ISSUES

Tax-Exempt Financing

The Authority urges Congress to preserve the ability of water systems to use tax-exempt bonds to finance water infrastructure projects. This authority to finance essential governmental services on a tax-exempt basis is vital to the efforts of water utilities to continue to provide high quality, safe and reliable supplies of drinking water at a price that is affordable to ratepayers.

As Congress considers comprehensive tax reform, it must keep in mind that any new tax revenue collected from investors by limiting or eliminating tax-exempt municipal bonds would be offset by increased interest costs that would be borne by local water system ratepayers. Limiting or eliminating the exemption would therefore represent a de-facto tax hike on local communities while encumbering public agencies efforts to raise needed capital to address water supply needs.

Drinking Water Security and Treatment Mandates

The Authority recognizes that water utilities protect their critical facilities from acts of terrorism and other hazards. Drinking water utilities first responsibility is to protect public health by providing potable.

The Authority supports that U.S. Environmental Protection Agency (EPA) should continue to be the lead federal agency for security regulations at drinking water and wastewater facilities. Having more than one federal agency with oversight of water security could not only be inefficient, but would also impair the ability of drinking water systems to properly and efficiently treat their water supplies. It also could result in making simultaneous compliance with multiple standards or guidelines that will be difficult or even impossible to satisfy. If contradictory or duplicative security measures were recommended by different federal agencies, water systems would faces difficulties in assuring compliance and could incur substantial costs with no real improvement in security.

Some water security programs include the collection of data from water providers. Given the sensitive nature of water security information, the Authority believes that Congress should continue the explicit prohibition on the disclosure of such information under federal, state, and local public information laws. Likewise, federal, state, and local agencies must take all internal precautions to prevent the inappropriate disclosure of water system information.

Any new federal security requirements should be accompanied by federal funding assistance. Such assistance could be targeted to help utilities update existing vulnerability assessments or implement other physical security without compromising public health. Otherwise, new security requirements will amount to unfunded federal mandates on local governments at a time when water treatment facilities are facing hundreds of billions of dollars in other priority infrastructure projects.

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Climate Change

The Authority supports federal action to research and respond to the impacts of global climate change upon the nation's drinking water supplies. The long-term viability and sustainability of the nation's water supply is integral to a viable regional, state and national economy and therefore a comprehensive, unified, and coordinated federal research program is essential for developing decision support tools, adaptation and mitigation strategies, and for helping local utility managers access better information on the regional impacts of climate change on drinking water quality and quantity. The EPA, the National Oceanic and Atmospheric Administration, and other federal departments and agencies currently conducting climate change research must increase their efforts to develop reliable modeling systems and regional projections of freshwater quality and quantity changes and offer clear guidance on how water utilities may prepare for changing climate conditions over the next several decades.

Climate change legislation must recognize that water resources and infrastructure in much of the United States are significantly threatened by changing hydrological conditions. Therefore, increased assistance and investment are necessary to help water systems adapt to changing climate conditions and deliver uninterrupted water service to rapidly growing service populations.

Water of the United States

The EPA and the U.S. Army Corps of Engineers (Corps) published final rule defining the scope of waters protected under the Clean Water Act in 2015. In March of this year, the EPA, Department of Army and Corps issued intention to review and rescind or revise the Clean Water Rule and re-codify the regulatory text that existed prior to 2015 defining 'waters of the United States' (Federal Register; March 6, 2017). Authority staff will monitor the rulemaking and potential impact to the Authority.