2003

HB 0105A, Engrossed 1

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## A bill to be entitled

An act relating to water resources; amending s. 159.803, F.S.; revising the definition of "priority project"; amending s. 163.3167, F.S.; providing that if a local government grants a quasi-judicial development order pursuant to its adopted land development regulations and the order is not the subject of a pending appeal, the right to commence and complete development pursuant to the order may not be abrogated by a subsequent judicial determination that such land development regulations, or any portion thereof, are invalid because of a deficiency in the approval standards; retaining certain legal rights; providing for retroactive application; requiring local governments to include projected water use in comprehensive plans; amending s. 367.081, F.S.; revising procedure for fixing and changing rates to include the recovery of costs of alternative water supply facilities; amending s. 367.0814, F.S.; revising limit on the amount of revenues received by a utility to qualify for staff assistance in changing rates or charges; creating s. 373.227, F.S.; providing for the development of a water conservation guidance manual by the Department of Environmental Protection; providing for purpose and contents of the manual and requirements with respect thereto; requiring the Department of Environmental Protection to adopt the manual by rule by a specified date; providing program requirements for public water supply utilities that choose to design a comprehensive water conservation program based on the water conservation guidance manual; amending s. 373.0361, F.S.; providing for

Page 1 of 39

HB 0105A, Engrossed 1

2003 31 a public workshop on the development of regional water supply plans that include the consideration of population 32 projections; providing for a list of water source options 33 34 in regional water supply plans; providing additional regional water supply plan components; including 35 conservation measures in regional water supply plans; 36 revising specified reporting requirements of the 37 Department of Environmental Protection; providing that a 38 district water management plan may not be used as criteria 39 for the review of permits for consumptive uses of water 40 41 unless the plan or applicable portion thereof has been adopted by rule; providing construction; amending s. 42 373.0831, F.S.; revising the criteria by which water 43 supply development projects may receive priority 44 consideration for funding assistance; providing for 45 permitting and funding of a proposed alternative water 46 supply project identified in the relevant approved 47 regional water supply plan; amending s. 373.1961, F.S.; 48 providing funding priority; providing for the 49 establishment of a revolving loan fund for alternative 50 water supply projects; providing conditions for certain 51 projects to receive funding assistance; amending s. 52 373.116, F.S.; providing for notice of applications for 53 specified water use permits, specified permits for 54 construction or alteration of dams, impoundments, 55 reservoirs, and appurtenant works, dredge and fill permits 56 for certain stormwater management systems, and consumptive 57 use permits to be transmitted by electronic mail; amending 58 s. 373.1963, F.S.; prohibiting the West Coast Regional 59 Water Supply Authority from seeking permits from the South 60

Page 2 of 39

HB 0105A, Engrossed 1

2003 61 Florida Water Management District for the consumptive use of water from groundwater in a specified area; amending s. 62 373.223, F.S.; requiring the Department of Environmental 63 64 Protection and the water management districts to submit specified recommendations to the Legislature; creating s. 65 373.2234, F.S.; authorizing the governing board of a water 66 management district to adopt rules identifying certain 67 preferred water supply sources; providing requirements 68 with respect to such rules; providing construction; 69 amending s. 373.250, F.S.; authorizing water management 70 71 districts to require the use of reclaimed water in lieu of surface or groundwater when the use of uncommitted 72 reclaimed water is environmentally, economically, and 73 technically feasible; providing construction with respect 74 to such authority; amending s. 373.536, F.S.; expanding 75 requirements of the 5-year water resource development work 76 program for water management districts; providing 77 legislative findings and intent with regard to landscape 78 irrigation design; requiring water management districts to 79 develop landscape irrigation and xeriscape design 80 standards; amending s. 378.212, F.S.; providing for the 81 granting of a variance from pt. III of ch. 378, F.S., 82 relating to phosphate land reclamation, for specified 83 reclamation, and from pt. IV of ch. 373, for certain 84 projects under described circumstances; amending s. 85 86 378.404, F.S.; authorizing the department to grant variances from the provisions of part IV of chapter 378 to 87 accommodate reclamation that provides for water supply 88 development or water resource development under specified 89 circumstances; amending s. 403.064, F.S.; revising 90

Page 3 of 39

2003

HB 0105A, Engrossed 1

91 provisions relating to reuse feasibility studies; providing for metering use of reclaimed water and volume-92 based rates therefor; requiring wastewater utilities to 93 94 submit plans for metering use and volume-based rate structures to the department; amending s. 403.1835, F.S.; 95 authorizing the Department of Environmental Protection to 96 make specified deposits for the purpose of enabling below-97 market interest rate loans for treatment of polluted 98 water; providing for development of rate structures for 99 alternative water supply systems; providing criteria; 100 101 providing for a study of the feasibility of discharging reclaimed wastewater into canals and the aquifer system in 102 a specified area as an environmentally acceptable means of 103 accomplishing described objectives; requiring reports; 104 providing severability; providing legislative findings 105 with respect to loss of property values due to the 106 proximity of a regional water reservoir; authorizing a 107 cause of action for a property owner; specifying a period 108 during which a property owner may present a claim for 109 compensation to the regional water supply authority that 110 constructs, operates, and maintains the reservoir; 111 providing requirements for the offer of compensation by a 112 regional water supply authority; providing for judicial 113 review under the Bert J. Harris, Jr., Private Property 114 Rights Protection Act; providing for an award of costs and 115 attorney's fees; providing for future repeal of the 116 section; providing for applicability; providing for 117 construction of the act in pari materia with laws enacted 118 during the Regular Session of the Legislature; providing 119 effective dates. 120

Page 4 of 39

HB 0105A, Engrossed 1 2003 121 Be It Enacted by the Legislature of the State of Florida: 122 123 124 Section 1. Subsection (5) of section 159.803, Florida Statutes, is amended to read: 125 159.803 Definitions.--As used in this part, the term: 126 "Priority project" means a solid waste disposal 127 (5) facility or a sewage facility, as such terms are defined in s. 128 142 of the Code, or water facility, as defined in s. 142 of the 129 Code, which is operated by a member-owned, not-for-profit 130 131 utility, or any project which is to be located in an area which is an enterprise zone designated pursuant to s. 290.0065. 132 Section 2. Subsections (13) and (14) are added to section 133 163.3167, Florida Statutes, to read: 134 163.3167 Scope of act.--135 (13) Each local government shall address in its 136 comprehensive plan, as enumerated in this chapter, the water 137 supply projects necessary to meet and achieve the existing and 138 projected water use demand for the established planning period, 139 considering the applicable plan developed pursuant to s. 140 141 373.0361. (14)(a) If a local government grants a quasi-judicial 142 development order pursuant to its adopted land development 143 regulations and the order is not the subject of a pending 144 appeal, the right to commence and complete development pursuant 145 to the order may not be abrogated by a subsequent judicial 146 determination that such land development regulations, or any 147 portion thereof, are invalid because of a deficiency in the 148 149 approval standards. This subsection does not preclude or affect the timely 150 (b) Page 5 of 39

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	HB 0105A, Engrossed 1 2003
151	institution of common law writ of certiorari proceedings
152	pursuant to Rule 9.190, Florida Rules of Appellate Procedure, or
153	original proceedings pursuant to s. 163.3215, as applicable.
154	(c) This subsection applies retroactively to any order
155	granted on or after January 1, 2002.
156	Section 3. Subsection (2) of section 367.081, Florida
157	Statutes, is amended to read:
158	367.081 Rates; procedure for fixing and changing
159	(2)(a)1. The commission shall, either upon request or upon
160	its own motion, fix rates which are just, reasonable,
161	compensatory, and not unfairly discriminatory. In every such
162	proceeding, the commission shall consider the value and quality
163	of the service and the cost of providing the service, which
164	shall include, but not be limited to, debt interest; the
165	requirements of the utility for working capital; maintenance,
166	depreciation, tax, and operating expenses incurred in the
167	operation of all property used and useful in the public service;
168	and a fair return on the investment of the utility in property
169	used and useful in the public service. <u>Pursuant to s.</u>
170	373.1961(2)(1), the commission shall allow recovery of the full,
171	prudently incurred costs of alternative water supply facilities.
172	However, the commission shall not allow the inclusion of
173	contributions-in-aid-of-construction in the rate base of any
174	utility during a rate proceeding, nor shall the commission
175	impute prospective future contributions-in-aid-of-construction
176	against the utility's investment in property used and useful in
177	the public service; and accumulated depreciation on such
178	contributions-in-aid-of-construction shall not be used to reduce
179	the rate base, nor shall depreciation on such contributed assets
180	be considered a cost of providing utility service.

Page 6 of 39

2003

HB 0105A, Engrossed 1

2. For purposes of such proceedings, the commission shall consider utility property, including land acquired or facilities constructed or to be constructed within a reasonable time in the future, not to exceed 24 months after the end of the historic base year used to set final rates unless a longer period is approved by the commission, to be used and useful in the public service, if:

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a. Such property is needed to serve current customers;
b. Such property is needed to serve customers 5 years
after the end of the test year used in the commission's final
order on a rate request as provided in subsection(6) at a growth
rate for equivalent residential connections not to exceed 5

193 percent per year; or

c. Such property is needed to serve customers more than 5 full years after the end of the test year used in the commission's final order on a rate request as provided in subsection (6) only to the extent that the utility presents clear and convincing evidence to justify such consideration.

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Notwithstanding the provisions of this paragraph, the commission 200 shall approve rates for service which allow a utility to recover 201 from customers the full amount of environmental compliance 202 costs. Such rates may not include charges for allowances for 203 funds prudently invested or similar charges. For purposes of 204 this requirement, the term "environmental compliance costs" 205 includes all reasonable expenses and fair return on any prudent 206 investment incurred by a utility in complying with the 207 208 requirements or conditions contained in any permitting, enforcement, or similar decisions of the United States 209 Environmental Protection Agency, the Department of Environmental 210 Page 7 of 39

SC 1	
	HB 0105A, Engrossed 1 2003
211	Protection, a water management district, or any other
212	governmental entity with similar regulatory jurisdiction.
213	(b) In establishing initial rates for a utility, the
214	commission may project the financial and operational data as set
215	out in paragraph (a) to a point in time when the utility is
216	expected to be operating at a reasonable level of capacity.
217	Section 4. Subsection (1) of section 367.0814, Florida
218	Statutes, is amended to read:
219	367.0814 Staff assistance in changing rates and charges;
220	interim rates
221	(1) The commission may establish rules by which a water or
222	wastewater utility whose gross annual revenues are $\$200,000$
223	\$150,000 or less may request and obtain staff assistance for the
224	purpose of changing its rates and charges. A utility may request
225	staff assistance by filing an application with the commission.
226	Section 5. Section 373.227, Florida Statutes, is created
227	to read:
228	373.227 Water conservation guidance manual
229	(1) The Legislature recognizes that the proper
230	conservation of water is an important means of achieving the
231	economical and efficient utilization of water necessary to
232	constitute a reasonable-beneficial use. The Legislature
233	encourages the development and use of water conservation
234	measures that are effective, flexible, and affordable. In the
235	context of the use of water for public supply provided by a
236	water utility, the Legislature intends for a variety of
237	conservation measures to be available and used to encourage
238	efficient water use. The Legislature finds that the social,
239	economic, and cultural conditions of this state relating to the
240	use of public water supply vary by geographic region, and thus
Į	Page 8 of 39

	HB 0105A, Engrossed 1 2003
241	water utilities must have the flexibility to tailor water
242	conservation measures to best suit their individual
243	circumstances. For purposes of this section, the term "public
244	water supply utility" shall include both publicly owned and
245	privately owned public water supply utilities.
246	(2) In order to implement the findings in subsection (1),
247	the Department of Environmental Protection shall develop a water
248	conservation guidance manual containing a menu of water
249	conservation measures from which public water supply utilities
250	may select in the development of a comprehensive, goal-based
251	water conservation program tailored for their individual service
252	areas that is effective and does not impose undue costs or
253	burdens on customers. The water conservation guidance manual
254	shall promote statewide consistency in the approach to utility
255	conservation while maintaining appropriate flexibility. The
256	manual may contain measures such as: water conservation audits,
257	informative billing practices to educate customers on their
258	patterns of water use, the costs of water, and ways to conserve
259	water; ordinances requiring low-flow plumbing fixtures and
260	efficient landscape irrigation; rebate programs for the
261	installation of water-saving plumbing or appliances; general
262	water conservation educational programs including bill inserts;
263	measures to promote the more effective and efficient reuse of
264	reclaimed water; water conservation or drought rate structures
265	that encourage customers to conserve water through appropriate
266	price signals; and programs to apply utility profits generated
267	through conservation and drought rates to additional water
268	conservation programs or water supply development. The manual
269	shall specifically state that it is the responsibility of the
270	appropriate utility to determine the specific rates it will
I	Page 0 of 30

Page 9 of 39

S.	
	HB 0105A, Engrossed 1 2003
271	charge its customers and that the role of the department or
272	water management district is confined to the review of those
273	rate structures to determine whether they encourage water
274	conservation. The water conservation guidance manual shall also
275	state that a utility need not adopt a water conservation or
276	drought rate structure if the utility employs other measures
277	that are equally or more effective. The manual shall provide for
278	different levels of complexity and expected levels of effort in
279	conservation programs depending on the size of the utility.
280	However, all utilities will be expected to have at least basic
281	programs in each of the following areas:
282	(a) Individual metering, to the extent feasible as
283	determined by the utility.
284	(b) Water accounting and loss control.
285	(c) Cost of service accounting.
286	(d) Information programs on water conservation.
287	(e) Landscaping water efficiency programs.
288	(3) The Department of Environmental Protection shall
289	develop the water conservation guidance manual no later than
290	June 15, 2004. The department shall develop the manual in
291	consultation with interested parties, which, at a minimum, shall
292	include representatives from the water management districts,
293	three utilities that are members of the American Water Works
294	Association, two utilities that are members of the Florida Water
295	Environment Association, a representative of the Florida Chamber
296	of Commerce, representatives of counties and municipalities, and
297	representatives of environmental organizations. By December 15,
298	2004, the department shall adopt the water conservation guidance
299	manual by rule. Once the department adopts the water
300	conservation guidance manual by rule, the water management
I	Dago 10 of 20

Page 10 of 39

S.C.	
	HB 0105A, Engrossed 1 2003
301	districts may apply the manual and any revisions thereto in the
302	review of water conservation requirements for obtaining a permit
303	pursuant to part II without the need to adopt the manual
304	pursuant to s. 120.54. Once the water conservation guidance
305	manual is adopted by rule, a public water supply utility may
306	choose to comply with the standard water conservation
307	requirements adopted by the appropriate water management
308	district for obtaining a consumptive use permit from that
309	district, or may choose to develop a comprehensive, goal-based
310	water conservation program from the options contained in the
311	manual. If the utility chooses to design a comprehensive water
312	conservation program based on the water conservation guidance
313	manual, the proposed program must include the following:
314	(a) An inventory of water system characteristics and
315	conservation opportunities.
316	(b) Demand forecasts.
317	(c) An explanation of the proposed program.
318	(d) Specific numeric water conservation targets for the
319	utility as a whole and for appropriate customer classes, with a
320	justification of why the numeric targets are appropriate based
321	on that utility's particular customer characteristics and
322	conservation opportunities.
323	(e) A demonstration that the program will promote
324	effective water conservation at least as well as standard water
325	use conservation requirements adopted by the appropriate water
326	management district.
327	(f) A timetable for the utility and the water management
328	district to evaluate progress in meeting the water conservation
329	targets and making needed program modifications.
330	(4) If the utility provides reasonable assurance that the
I	Page 11 of 39

Page 11 of 39

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	HB 0105A, Engrossed 1 2003
331	proposed conservation program is consistent with the water
332	conservation guidance manual and contains the elements specified
333	in subsection (3), then the water management district shall
334	approve the proposed program and the program shall satisfy water
335	conservation requirements imposed as a condition of obtaining a
336	permit under part II. The department, in consultation with the
337	parties specified in subsection(3), may periodically amend or
338	revise the water conservation guidance manual rule as
339	appropriate to reflect changed circumstances or new technologies
340	or approaches. The findings and provisions in this section shall
341	not be construed to apply to users of water other than public
342	and private water supply utilities.
343	Section 6. Subsections (1), (2), (5), and (6) of section
344	373.0361, Florida Statutes, are amended to read:
345	373.0361 Regional water supply planning
346	(1) By October 1, 1998, the governing board shall initiate
347	water supply planning for each water supply planning region
348	identified in the district water management plan under s.
349	373.036, where it determines that sources of water are not
350	adequate for the planning period to supply water for all
351	existing and projected reasonable-beneficial uses and to sustain
352	the water resources and related natural systems. The planning
353	must be conducted in an open public process, in coordination and
354	cooperation with local governments, regional water supply
355	authorities, government-owned and privately owned water
356	utilities, self-suppliers, and other affected and interested
357	parties. During development but prior to completion of the
358	regional water supply plan, the district must conduct at least
359	one public workshop to discuss the technical data and modeling
360	tools anticipated to be used to support the plan. A

HB 0105A, Engrossed 1
determination by the governing board that initiation of a
regional water supply plan for a specific planning region is not
needed pursuant to this section shall be subject to s. 120.569.
The governing board shall reevaluate such a determination at
least once every 5 years and shall initiate a regional water
supply plan, if needed, pursuant to this subsection.

367 (2) Each regional water supply plan shall be based on at
 368 least a 20-year planning period and shall include, but not be
 369 limited to:

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(a) A water supply development component that includes:

371 1. A quantification of the water supply needs for all existing and reasonably projected future uses within the 372 planning horizon. The level-of-certainty planning goal 373 associated with identifying the water supply needs of existing 374 and future reasonable-beneficial uses shall be based upon 375 meeting those needs for a 1-in-10-year drought event. Population 376 projections used for determining public water supply needs shall 377 be based upon the best available data. In determining the best 378 available data, the district shall consider the University of 379 Florida's Bureau of Economic and Business Research(BEBR) medium 380 population projections and any population projection data and 381 analysis submitted by a local government pursuant to the public 382 workshop described in subsection(1) when such data and analysis 383 support the local government's comprehensive plan. Any 384 adjustment of or deviation from the BEBR projections shall be 385 fully described and the original BEBR data shall be presented 386 along with the adjusted data. 387 A list of water source options for water supply 388 2. 389 development, including traditional and alternative source

390 <u>options</u> sources, from which local government, government-owned

Page 13 of 39

HB 0105A, Engrossed 1 2003 and privately owned utilities, self-suppliers, and others may 391 choose, for water supply development, the total capacity of 392 which will, in conjunction with water conservation and other 393 394 demand management measures, exceed the needs identified in subparagraph 1. 395 3. For each option listed in subparagraph 2., the 396 estimated amount of water available for use and the estimated 397 costs of and potential sources of funding for water supply 398 development. 399 A list of water supply development projects that meet 4. 400 the criteria in s. 373.0831(4). 401 A water resource development component that includes: 402 (b) 1. A listing of those water resource development projects 403 that support water supply development. 404 2. For each water resource development project listed: 405 An estimate of the amount of water to become available 406 a. through the project. 407 The timetable for implementing or constructing the 408 b. project and the estimated costs for implementing, operating, and 409 maintaining the project. 410 Sources of funding and funding needs. c. 411 d. Who will implement the project and how it will be 412 implemented. 413 (C) The recovery and prevention strategy described in s. 414 373.0421(2). 415 A funding strategy for water resource development 416 (d) projects, which shall be reasonable and sufficient to pay the 417 cost of constructing or implementing all of the listed projects. 418 (e) Consideration of how the options addressed in 419 paragraphs (a) and (b) serve the public interest or save costs 420 Page 14 of 39 CODING: Words stricken are deletions; words underlined are additions.

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	HB 0105A, Engrossed 1 2003
421	overall by preventing the loss of natural resources or avoiding
422	greater future expenditures for water resource development or
423	water supply development. However, unless adopted by rule, these
424	considerations do not constitute final agency action.
425	(f) The technical data and information applicable to the
426	planning region which are contained in the district water
427	management plan and are necessary to support the regional water
428	supply plan.
429	(g) The minimum flows and levels established for water
430	resources within the planning region.
431	(h) Reservations of water adopted by rule pursuant to s.
432	373.223(4).
433	(i) An analysis, developed in cooperation with the
434	department, of areas or instances in which the variance
435	provisions of s. 378.212(1)(g) or s. 378.404(9) may be used to
436	create water supply development or water resource development
437	projects.
438	
439	Within boundaries of a regional water supply authority, those
440	parts of the water supply development component of the regional
441	water supply plan which deal with or affect public utilities and
442	public water supply shall be developed jointly by such authority
443	and the district for those areas served by the authority and its
444	member governments.
445	(5) <del>By November 15, 1997, and</del> Annually <u>and in conjunction</u>
446	with the reporting requirements of s. 373.536(6)(a)4.
447	thereafter, the department shall submit to the Governor and the
448	Legislature a report on the status of regional water supply
449	planning in each district. The report shall include:
450	(a) A compilation of the estimated costs of and potential
I	Page 15 of 39

HB 0105A, Engrossed 1 2003 451 sources of funding for water resource development and water supply development projects, as identified in the water 452 management district regional water supply plans. 453 A description of each district's progress toward 454 (b) achieving its water resource development objectives, as directed 455 by s. 373.0831(3), including the district's implementation of 456 its 5-year water resource development work program. 457 (c) An assessment of the overall progress being made to 458 develop water supply that is consistent with regional water 459 supply plans to meet existing and future reasonable-beneficial 460 461 needs during a 1-in-10-year drought. Nothing contained in the water supply development 462 (6) 463 component of the district water management plan shall be construed to require local governments, government-owned or 464 privately owned water utilities, self-suppliers, or other water 465 suppliers to select a water supply development option identified 466 in the component merely because it is identified in the plan, 467 nor may the plan be used in the review of permits under part II 468 unless the plan, or an applicable portion thereof, has been 469 adopted by rule. However, this subsection does not prohibit a 470 water management district from employing the data or other 471 information used to establish the plan in reviewing permits 472 under part II, nor shall it not be construed to limit the 473 authority of the department or governing board under part II. 474 Section 7. Subsection (3) of section 373.0831, Florida 475 Statutes, is amended, and paragraph (c) is added to 476 subsection(4) of said section, to read: 477 478 373.0831 Water resource development; water supply 479 development. --The water management districts shall fund and 480 (3) Page 16 of 39

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481	HB 0105A, Engrossed 1 2003 implement water resource development as defined in s. 373.019.
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482	The water management districts are encouraged to implement water
483	resource development as expeditiously as possible in areas
484	subject to regional water supply plans. Each governing board
485	shall include in its annual budget the amount needed for the
486	fiscal year to implement water resource development projects, as
487	prioritized in its regional water supply plans.
488	(4)
489	(c) If a proposed alternative water supply development
490	project is identified in the relevant approved regional water
491	supply plan, the project shall receive:
492	1. A 20-year consumptive use permit, if it otherwise meets
493	the permit requirements under ss. 373.223 and 373.236 and rules
494	adopted thereunder.
495	2. Priority funding pursuant to s. 373.1961(2) if the
496	project meets one of the criteria in s. 373.0831(4).
497	Section 8. Subsection (2) of section 373.1961, Florida
498	Statutes, is amended to read:
499	373.1961 Water production
500	(2) The Legislature finds that, due to a combination of
501	factors, vastly increased demands have been placed on natural
502	supplies of fresh water, and that, absent increased development
503	of alternative water supplies, such demands may increase in the
504	future. The Legislature also finds that potential exists in the
505	state for the production of significant quantities of
506	alternative water supplies, including reclaimed water, and that
507	water production includes the development of alternative water
508	supplies, including reclaimed water, for appropriate uses. It is
509	the intent of the Legislature that utilities develop reclaimed
510	water systems, where reclaimed water is the most appropriate
	Page 17 of 39

2003

HB 0105A, Engrossed 1 alternative water supply option, to deliver reclaimed water to 511 512 513 514

as many users as possible through the most cost-effective means, and to construct reclaimed water system infrastructure to their owned or operated properties and facilities where they have reclamation capability. It is also the intent of the Legislature 515 that the water management districts which levy ad valorem taxes 516 for water management purposes should share a percentage of those 517 tax revenues with water providers and users, including local 518 governments, water, wastewater, and reuse utilities, municipal, 519 industrial, and agricultural water users, and other public and 520 521 private water users, to be used to supplement other funding sources in the development of alternative water supplies. The 522 Legislature finds that public moneys or services provided to 523 private entities for such uses constitute public purposes which 524 are in the public interest. In order to further the development 525 and use of alternative water supply systems, including reclaimed 526 water systems, the Legislature provides the following: 527

The governing boards of the water management districts 528 (a) where water resource caution areas have been designated shall 529 include in their annual budgets an amount for the development of 530 alternative water supply systems, including reclaimed water 531 systems, pursuant to the requirements of this subsection. 532 Beginning in 1996, such amounts shall be made available to water 533 providers and users no later than December 31 of each year, 534 through grants, matching grants, revolving loans, or the use of 535 district lands or facilities pursuant to the requirements of 536 this subsection and guidelines established by the districts. In 537 making grants or loans, funding priority shall be given to 538 projects in accordance with s. 373.0831(4). Without diminishing 539 amounts available through other means described in this 540

Page 18 of 39

541	HB 0105A, Engrossed 1 2003 paragraph, the governing boards are encouraged to consider
542	establishing revolving loan funds to expand the total funds
542	establishing revolving loan funds to expand the total funds
543	available to accomplish the objectives of this section. A
544	revolving loan fund created pursuant to this paragraph shall be
545	a nonlapsing fund from which the water management district may
546	make loans with interest rates below prevailing market rates to
547	public or private entities for the purposes described in this
548	section. The governing board may adopt resolutions to establish
549	revolving loan funds which shall specify the details of the
550	administration of the fund, the procedures for applying for
551	loans from the fund, the criteria for awarding loans from the
552	fund, the initial capitalization of the fund, and the goals for
553	future capitalization of the fund in subsequent budget years.
554	Revolving loan funds created pursuant to this paragraph shall be
555	used to expand the total sums and sources of cooperative funding
556	available for the development of alternative water supplies. The
557	Legislature does not intend for the creation of revolving loan
558	trust funds to supplant or otherwise reduce existing sources or
559	amounts of funds currently available through other means.

(b) It is the intent of the Legislature that for each
reclaimed water utility, or any other utility, which receives
funds pursuant to this subsection, the appropriate rate-setting
authorities should develop rate structures for all water,
wastewater, and reclaimed water and other alternative water
supply utilities in the service area of the funded utility,
which accomplish the following:

567 1. Provide meaningful progress toward the development and 568 implementation of alternative water supply systems, including 569 reclaimed water systems;

570

2. Promote the conservation of fresh water withdrawn from Page 19 of 39

HB 0105A, Engrossed 1 2003 571 natural systems; Provide for an appropriate distribution of costs for 3. 572 all water, wastewater, and alternative water supply utilities, 573 including reclaimed water utilities, among all of the users of 574 those utilities; and 575 4. Prohibit rate discrimination within classes of utility 576 users. 577 (c) Funding assistance provided by the water management 578 districts for a water reuse system project shall include the 579 following grant or loan conditions for that project when the 580 581 water management district determines such conditions will encourage water use efficiency: 582 1. Metering of reclaimed water use for the following 583 activities: residential irrigation, agricultural irrigation, 584 industrial uses except for electric utilities as defined in s. 585 366.02(2), golf course irrigation, landscape irrigation, 586 irrigation of other public access areas, commercial and 587 institutional uses such as toilet flushing, and transfers to 588 other reclaimed water utilities. 589 2. Implementation of reclaimed water rate structures based 590 on actual use of reclaimed water for the types of reuse 591 activities listed in subparagraph 1. 592 3. Implementation of education programs to inform the 593 public about water issues, water conservation, and the 594 importance and proper use of reclaimed water. 595 Development of location data for key reuse facilities. 596 4. (d) (d) (c) In order to be eligible for funding pursuant to 597 this subsection, a project must be consistent with a local 598 599 government comprehensive plan and the governing body of the local government must require all appropriate new facilities 600 Page 20 of 39

HB 0105A, Engrossed 1

within the project's service area to connect to and use the project's alternative water supplies. The appropriate local government must provide written notification to the appropriate district that the proposed project is consistent with the local government comprehensive plan.

606 (e)(d) Any and all revenues disbursed pursuant to this
 607 subsection shall be applied only for the payment of capital or
 608 infrastructure costs for the construction of alternative water
 609 supply systems that provide alternative water supplies.

(f)(e) By January 1 of each year, the governing boards
 shall make available written guidelines for the disbursal of
 revenues pursuant to this subsection. Such guidelines shall
 include at minimum:

614 1. An application process and a deadline for filing615 applications annually.

616 2. A process for determining project eligibility pursuant 617 to the requirements of paragraphs (d) (c) and (e) (d).

3. A process and criteria for funding projects pursuant to
this subsection that cross district boundaries or that serve
more than one district.

(g)(f) The governing board of each water management 621 district shall establish an alternative water supplies grants 622 advisory committee to recommend to the governing board projects 623 for funding pursuant to this subsection. The advisory committee 624 members shall include, but not be limited to, one or more 625 representatives of county, municipal, and investor-owned private 626 utilities, and may include, but not be limited to, 627 representatives of agricultural interests and environmental 628 629 interests. Each committee member shall represent his or her interest group as a whole and shall not represent any specific 630

Page 21 of 39

CODING: Words stricken are deletions; words underlined are additions.

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HB 0105A, Engrossed 1 entity. The committee shall apply the guidelines and project eligibility criteria established by the governing board in reviewing proposed projects. After one or more hearings to solicit public input on eligible projects, the committee shall rank the eligible projects and shall submit them to the governing board for final funding approval. The advisory committee may submit to the governing board more projects than

the available grant money would fund.

638

(h)(g) All revenues made available annually pursuant to
 this subsection must be encumbered annually by the governing
 board if it approves projects sufficient to expend the available
 revenues. Funds must be disbursed within 36 months after
 encumbrance.

644 <u>(i)(h)</u> For purposes of this subsection, alternative water 645 supplies are supplies of water that have been reclaimed after 646 one or more public supply, municipal, industrial, commercial, or 647 agricultural uses, or are supplies of stormwater, or brackish or 648 salt water, that have been treated in accordance with applicable 649 rules and standards sufficient to supply the intended use.

650 (j)(i) This subsection shall not be subject to the 651 rulemaking requirements of chapter 120.

(k) (j) By January 30 of each year, each water management 652 district shall submit an annual report to the Governor, the 653 President of the Senate, and the Speaker of the House of 654 Representatives which accounts for the disbursal of all budgeted 655 amounts pursuant to this subsection. Such report shall describe 656 all projects funded and shall account separately for moneys 657 provided through grants, matching grants, revolving loans, and 658 the use of district lands or facilities. 659

660 <u>(1)(k)</u> The Florida Public Service Commission shall allow Page 22 of 39

HB 0105A, Engrossed 1 entities under its jurisdiction constructing alternative water supply facilities, including but not limited to aquifer storage and recovery wells, to recover the full, prudently incurred cost of such facilities through their rate structure. Every component of an alternative water supply facility constructed by an investor-owned utility shall be recovered in current rates.

667 Section 9. Section 373.116, Florida Statutes, is amended 668 to read:

669 373.116 Procedure for water use and impoundment 670 construction permit applications.--

(1) Applications for water use permits, under part II of
this chapter; for permits for construction or alteration of
dams, impoundments, reservoirs, and appurtenant works, under
part IV of this chapter; and for permits under s. 403.812 shall
be filed with the water management district on appropriate forms
provided by the governing board.

Upon receipt of an application for a permit of the 677 (2) type referred to in subsection (1), the governing board shall 678 cause a notice thereof to be published in a newspaper having 679 general circulation within the affected area. In addition, the 680 governing board shall send, by regular or electronic mail, a 681 copy of such notice to any person who has filed a written 682 request for notification of any pending applications affecting 683 this particular designated area. Upon written request, Notice of 684 application for the consumptive use of water shall be mailed by 685 regular or electronic mail to the county and appropriate city 686 government from which boundaries the withdrawal is proposed to 687 be made. 688

Section 10. Subsection (9) is added to section 373.1963,
Florida Statutes, to read:

Page 23 of 39

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	HB 0105A, Engrossed 1 2003
691	373.1963 Assistance to West Coast Regional Water Supply
692	Authority
693	(9) It is the intent of the Legislature that wetland areas
694	in northeastern Hillsborough County which have not yet been
695	adversely impacted by groundwater withdrawals for consumptive
696	use not be subject to groundwater withdrawals by the development
697	of wellfields by the authority. In order to protect the
698	wetlands in this area, the authority is hereby prohibited from
699	seeking permits from the Southwest Florida Water Management
700	District for the consumptive use of water from groundwater in
701	northeastern Hillsborough County north of Knights Griffin Road
702	and east of State Road 39.
703	Section 11. Subsection (5) is added to section 373.223,
704	Florida Statutes, to read:
705	373.223 Conditions for a permit
706	(5) The Legislature finds that the issuance of consumptive
707	use permits has a direct relation to efficient and effective
708	water resource development. The Legislature further finds that
709	the management of consumptive use permits has a direct relation
710	to efficient and effective water supply development. To help
711	identify the changes necessary to better utilize these permits,
712	the Legislature directs that the Department of Environmental
713	Protection and each water management district submit
714	recommendations to the appropriate substantive committees of
715	each house of the Legislature by December 1, 2003. The
716	recommendations shall identify alternative methods of extending
717	the use of existing water resources, including, but not limited
718	to, the potential rights of existing permitholders to share
719	water allocated under a consumptive use permit. The department
720	and the districts are encouraged to use public hearings to
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	HB 0105A, Engrossed 1 2003
721	gather information and shall include information provided by
722	basin boards and regional water supply authorities.
723	Section 12. Section 373.2234, Florida Statutes, is created
724	to read:
725	373.2234 Preferred water supply sourcesThe governing
726	board of the district is authorized to adopt rules identifying
727	preferred water supply sources for which there is sufficient
728	data to establish that the source can be used to provide a
729	substantial new water supply to meet existing and reasonably
730	anticipated water needs in a water supply planning region
731	identified pursuant to s. 373.0361(1) while sustaining the water
732	resources and related natural systems. Such rules shall, at a
733	minimum, contain a description of the source and an assessment
734	of the water the source is projected to produce. If a
735	consumptive use permit applicant proposes to use such a source
736	consistent with the assessment, the proposed use shall be
737	subject to the provisions of s. 373.223(1), but such proposed
738	use shall be a factor deemed to be consistent with the public
739	interest pursuant to s. 373.223(1)(c). A consumptive use permit
740	issued approving the use of such a source shall be for at least
741	20 years and may be subject to the provisions of s. 373.226(3).
742	However, nothing in this section shall be construed to provide
743	that the use of nonpreferred sources must receive a permit
744	duration of less than 20 years or that such nonpreferred sources
745	are not consistent with the public interest.
746	Section 13. Paragraph (c) is added to subsection (2) of
747	section 373.250, Florida Statutes, to read:
748	373.250 Reuse of reclaimed water
749	(2)
750	(c) A water management district may require the use of
C	Page 25 of 39

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751	HB 0105A, Engrossed 1 reclaimed water in lieu of surface water or groundwater when the
752	use of uncommitted reclaimed water is environmentally,
753	economically, and technically feasible. However, while
754	recognizing that the state's surface water and groundwater are
755	public resources, nothing in this paragraph shall be construed
756	to give a water management district the authority to require a
757	provider of reclaimed water to redirect reclaimed water from one
758	user to another or to provide uncommitted water to a specific
759	user if such water is anticipated to be used by the provider, or
760	a different user selected by the provider, within a reasonable
761	amount of time.
762	Section 14. Paragraph (a) of subsection (6) of section
763	373.536, Florida Statutes, is amended to read:
764	373.536 District budget and hearing thereon
765	(6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN;
766	WATER RESOURCE DEVELOPMENT WORK PROGRAM
767	(a) Each district must, by the date specified for each
768	item, furnish copies of the following documents to the Governor,
769	the President of the Senate, the Speaker of the House of
770	Representatives, the chairs of all legislative committees and
771	subcommittees having substantive or fiscal jurisdiction over the
772	districts, as determined by the President of the Senate or the
773	Speaker of the House of Representatives as applicable, the
774	secretary of the department, and the governing board of each
775	county in which the district has jurisdiction or derives any
776	funds for the operations of the district:
777	1. The adopted budget, to be furnished within 10 days
778	after its adoption.
779	2. A financial audit of its accounts and records, to be
780	furnished within 10 days after its acceptance by the governing
I	Page 26 of 39

HB 0105A, Engrossed 1
board. The audit must be conducted in accordance with the
provisions of s. 11.45 and the rules adopted thereunder. In
addition to the entities named above, the district must provide
a copy of the audit to the Auditor General within 10 days after
its acceptance by the governing board.
A 5-year capital improvements plan, to be furnished

787 within 45 days after the adoption of the final budget. The plan 788 must include expected sources of revenue for planned 789 improvements and must be prepared in a manner comparable to the 790 fixed capital outlay format set forth in s. 216.043.

791 4. A 5-year water resource development work program to be furnished within 45 days after the adoption of the final budget. 792 793 The program must describe the district's implementation strategy 794 for the water resource development component of each approved 795 regional water supply plan developed or revised under s. 373.0361. The work program must address all the elements of the 796 water resource development component in the district's approved 797 regional water supply plans and must identify which projects in 798 the work program will provide water, explain how each water 799 resource development project will produce additional water 800 available for consumptive uses, estimate the quantity of water 801 to be produced by each project, and provide an assessment of the 802 contribution of the district's regional water supply plans in 803 providing sufficient water to meet the water supply needs of 804 existing and future reasonable-beneficial uses for a 1-in-10-805 year drought event. Within 45 days after its submittal, the 806 department shall review the proposed work program and submit its 807 findings, questions, and comments to the district. The review 808 809 must include a written evaluation of the program's consistency with the furtherance of the district's approved regional water 810 Page 27 of 39

HB 0105A, Engrossed 1 2003 811 supply plans, and the adequacy of proposed expenditures. As part of the review, the department shall give interested parties the 812 opportunity to provide written comments on each district's 813 proposed work program. Within 60 days after receipt of the 814 department's evaluation, the governing board shall state in 815 writing to the department which changes recommended in the 816 evaluation it will incorporate into its work program or specify 817 the reasons for not incorporating the changes. The department 818 shall include the district's responses in a final evaluation 819 report and shall submit a copy of the report to the Governor, 820 821 the President of the Senate, and the Speaker of the House of Representatives. 822 (b) If any entity listed in paragraph (a) provides written 823 comments to the district regarding any document furnished under 824 this subsection, the district must respond to the comments in 825 writing and furnish copies of the comments and written responses 826 to the other entities. 827 Section 15. Landscape irrigation design. --828 The Legislature finds that multiple areas throughout 829 (1) the state have been identified by water management districts as 830 water resource caution areas, which indicates that in the near 831 future water demand in those areas will exceed the current 832 available water supply and that conservation is one of the 833 mechanisms by which future water demand will be met. 834 The Legislature finds that landscape irrigation (2) 835 comprises a significant portion of water use and that the 836 current typical landscape irrigation system and xeriscape 837 designs offer significant potential water conservation benefits. 838 It is the intent of the Legislature to improve 839 (3) landscape irrigation water use efficiency by ensuring landscape 840 Page 28 of 39

SC .	
	HB 0105A, Engrossed 1 2003
841	irrigation systems meet or exceed minimum design criteria.
842	(4) The water management districts shall develop and adopt
843	by rule landscape irrigation and xeriscape design standards for
844	new construction that incorporate a landscape irrigation system.
845	The standards shall be based on the irrigation code defined in
846	the Florida Building Code, Plumber's Volume, Appendix F. Such
847	design standards should promote the effective and efficient use
848	of irrigation water and include a consideration of local
849	demographic, hydrologic, and other considerations as they apply
850	to landscape irrigation water use. When adopting an ordinance or
851	regulation, local governments shall use these approved
852	irrigation design standards.
853	(5) The water management districts shall work with the
854	Florida Chapter of the American Society of Landscape Architects,
855	the Florida Irrigation Society, the Florida Nurserymen and
856	Growers Association, the Department of Agriculture and Consumer
857	Services, the Institute of Food and Agricultural Sciences, the
858	Department of Environmental Protection, the Florida League of
859	<u>Cities, and the Florida Association of Counties to develop</u>
860	scientifically-based model guidelines for urban, commercial, and
861	residential landscape irrigation, including drip irrigation, for
862	plants, trees, sod, and other landscaping. Local governments
863	shall use the scientific information when developing landscape
864	irrigation ordinances or guidelines. Every 3 years, the
865	agencies and entities specified in this subsection shall review
866	the model guidelines to determine whether new research findings
867	require a change or modification of the guidelines.
868	Section 16. Paragraph (g) is added to subsection (1) of
869	section 378.212, Florida Statutes, to read:
870	378.212 Variances
I	Page 20 of 30

HB 0105A, Engrossed 1 2003 Upon application, the secretary may grant a variance 871 (1)from the provisions of this part or the rules adopted pursuant 872 thereto. Variances and renewals thereof may be granted for any 873 874 one of the following reasons: (q) To accommodate reclamation that provides water supply 875 development or water resource development not inconsistent with 876 the applicable regional water supply plan approved pursuant to 877 s. 373.0361, provided adverse impacts are not caused to the 878 water resources in the basin. A variance may also be granted 879 from the requirements of part IV of chapter 373, or the rules 880 881 adopted thereunder, when a project provides an improvement in water availability in the basin and does not cause adverse 882 883 impacts to water resources in the basin. Section 17. Subsection (9) is added to section 378.404, 884 Florida Statutes, to read: 885 378.404 Department of Environmental Protection; powers and 886 duties. -- The department shall have the following powers and 887 duties: 888 To grant variances from the provisions of this part to 889 (9) accommodate reclamation that provides for water supply 890 891 development or water resource development not inconsistent with the applicable regional water supply plan approved pursuant to 892 s. 373.0361, appropriate stormwater management, improved 893 wildlife habitat, recreation, or a mixture thereof, provided 894 adverse impacts are not caused to the water resources in the 895 basin and public health and safety are not adversely affected. 896 Section 18. Subsections (1) and (6) of section 403.064, 897 Florida Statutes, are amended, and subsection (16) is added to 898 899 said section, to read: 403.064 Reuse of reclaimed water .--900

Page 30 of 39

2003

HB 0105A, Engrossed 1

The encouragement and promotion of water conservation, 901 (1)and reuse of reclaimed water, as defined by the department, are 902 state objectives and are considered to be in the public 903 interest. The Legislature finds that the reuse of reclaimed 904 water is a critical component of meeting the state's existing 905 and future water supply needs while sustaining natural systems. 906 The Legislature further finds that for those wastewater 907 treatment plants permitted and operated under an approved reuse 908 program by the department, the reclaimed water shall be 909 considered environmentally acceptable and not a threat to public 910 911 health and safety. The Legislature encourages the development of incentive-based programs for reuse implementation. 912

913 (6) A reuse feasibility study prepared under subsection(2) satisfies a water management district requirement to conduct a 914 reuse feasibility study imposed on a local government or utility 915 that has responsibility for wastewater management. The data 916 included in the study and the study's conclusions shall be given 917 significant consideration by the applicant and the appropriate 918 water management district in an analysis of the economic, 919 environmental, and technical feasibility of providing reclaimed 920 water for reuse under part II of chapter 373, and shall be 921 presumed relevant to the determination of feasibility. A water 922 management district shall not require a separate study when a 923 reuse feasibility study has been completed under subsection (2). 924 (16) Utilities implementing reuse projects are encouraged, 925 except in the case of use by electric utilities as defined in s. 926 366.02(2), to meter use of reclaimed water by all end users and, 927 to charge for the use of reclaimed water based on the actual 928 929 volume used when such metering and charges can be shown to encourage water conservation. Metering and the use of volume-930

Page 31 of 39

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	HB 0105A, Engrossed 1 2003
931	based rates are effective water management tools for the
932	following reuse activities: residential irrigation, agricultural
933	irrigation, industrial uses, golf course irrigation, landscape
934	irrigation, irrigation of other public access areas, commercial
935	and institutional uses such as toilet flushing, and transfers to
936	other reclaimed water utilities. Beginning with the submittal
937	due on January 1, 2004, each domestic wastewater utility that
938	provides reclaimed water for the reuse activities listed in this
939	section shall include a summary of its metering and rate
940	structure as part of its annual reuse report to the department.
941	Section 19. Paragraph (b) of subsection (3) of section
942	403.1835, Florida Statutes, is amended, and subsection (12) is
943	added to said section, to read:
944	403.1835 Water pollution control financial assistance
945	(3) The department may provide financial assistance
946	through any program authorized under s. 603 of the Federal Water
947	Pollution Control Act (Clean Water Act), Pub. L. No. 92-500, as
948	amended, including, but not limited to, making grants and loans,
949	providing loan guarantees, purchasing loan insurance or other
950	credit enhancements, and buying or refinancing local debt. This
951	financial assistance must be administered in accordance with
952	this section and applicable federal authorities. The department
953	shall administer all programs operated from funds secured
954	through the activities of the Florida Water Pollution Control
955	Financing Corporation under s. 403.1837, to fulfill the purposes
956	of this section.
957	(b) The department may make or request the corporation to

957 (b) The department may make of request the corporation to 958 make loans, grants, and deposits to other entities eligible to 959 participate in the financial assistance programs authorized 960 under the Federal Water Pollution Control Act, or as a result of

Page 32 of 39

	HB 0105A, Engrossed 1 2003
961	other federal action, which entities may pledge any revenue
962	available to them to repay any funds borrowed. <u>Notwithstanding</u>
963	s. 18.10, the department may make deposits to financial
964	institutions that earn less than the prevailing rate for United
965	States Treasury securities with corresponding maturities for the
966	purpose of enabling such financial institutions to make below-
967	market interest rate loans to entities qualified to receive
968	loans under this section and the rules of the department.
969	(12)(a) It is the intent of the Legislature that for each
970	reclaimed water utility or any other utility that receives funds
971	pursuant to this subsection, the appropriate rate-setting
972	authorities should develop rate structures for all water,
973	wastewater, and reclaimed water and other alternative water
974	supply utilities in the service area of the funded utility which
975	accomplish the following:
976	1. Provide meaningful progress toward the development and
977	implementation of alternative water supply systems, including
978	reclaimed water systems.
979	2. Promote the conservation of fresh water withdrawn from
980	natural systems.
981	3. Provide for an appropriate distribution of costs for
982	all water, wastewater, and alternative water supply utilities,
983	including reclaimed water utilities, among all of the users of
984	those utilities.
985	(b) Funding assistance provided for a water reuse system
986	project shall include the following loan conditions for that
987	project where such conditions will encourage water use
988	efficiency:
989	1. Metering of reclaimed water use for the following
990	activities: residential irrigation, agricultural irrigation,
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	HB 0105A, Engrossed 1 2003
991	industrial uses except for electric utilities as defined in s.
992	366.02(2), golf course irrigation, landscape irrigation,
993	irrigation of other public access areas, and commercial uses.
994	2. Implementation of reclaimed water rate structures based
995	on actual use of reclaimed water for the reuse types listed in
996	subparagraph 1.
997	3. Implementation of education programs to inform the
998	public about water issues, water conservation, and the
999	importance and proper use of reclaimed water.
1000	Section 20. The Legislature finds that, within the area
1001	identified in the Lower East Coast Regional Water Supply Plan
1002	approved by the South Florida Water Management District pursuant
1003	to s. 373.0361, Florida Statutes, the groundwater levels can
1004	benefit from augmentation. The Legislature finds that the direct
1005	or indirect discharge of reclaimed water into canals and the
1006	aquifer system for transport and subsequent reuse may provide an
1007	environmentally acceptable means to augment water supplies and
1008	enhance natural systems; however, the Legislature also
1009	recognizes that there are water quality and water quantity
1010	issues that must be better understood and resolved. In addition,
1011	there are cost savings possible by collocating enclosed conduits
1012	for conveyance of water for reuse in this area within canal
1013	rights-of-way that should be investigated. Toward that end, the
1014	Department of Environmental Protection, in consultation with the
1015	<u>South Florida Water Management District, Southeast Florida</u>
1016	utilities, affected local governments, including local
1017	governments with principal responsibility for the operation and
1018	maintenance of a water control system capable of conveying
1019	reclaimed wastewater for reuse, representatives of the
1020	environmental and engineering communities, public health
I	Page 34 of 39

1021	HB 0105A, Engrossed 1 2003 professionals, and individuals having expertise in water
1022	quality, shall conduct a study to investigate the feasibility of
1023	discharging reclaimed wastewater into canals and the aquifer
1024	system as an environmentally acceptable means of augmenting
1025	groundwater supplies, enhancing natural systems, and conveying
1026	reuse water within enclosed conduits within the canal right-of-
1027	way. The study shall include an assessment of the water quality,
1028	water supply, public health, technical, and legal implications
1029	related to the canal discharge and collocation concepts. The
1030	department shall issue a preliminary written report containing
1031	draft findings and recommendations for public comment by
1032	November 1, 2003. The department shall provide a written report
1033	on the results of its study to the Governor and the relevant
1034	substantive committees of the House of Representatives and the
1035	Senate by January 31, 2004. Nothing in this section shall be
1036	used to alter the purpose of the Comprehensive Everglades
1037	Restoration Plan or the implementation of the Water Resources
1038	Development Act of 2000.
1039	Section 21. If any provision of this act or the
1040	application thereof to any person or circumstance is held
1041	invalid, the invalidity does not affect other provisions or
1042	applications of this act which can be given effect without the
1043	invalid provision or application, and to this end the provisions
1044	of this act are declared severable.
1045	Section 22. Private property rights and regional
1046	reservoirs
1047	(1) The Legislature finds that construction of a regional
1048	reservoir designed to store more than 10 billion gallons of
1049	water may inordinately burden nearby real property because of
1050	the proximity of the reservoir and may result in a loss of value

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1051	HB 0105A, Engrossed 1 2003 for the property owner. Therefore, a regional water supply
1052	authority, serving three or fewer counties, that is authorized
1053	to construct, operate, and maintain such a regional reservoir
1054	shall be deemed a governmental entity under section 70.001,
1055	Florida Statutes, the Bert J. Harris, Jr., Private Property
1056	Rights Protection Act, for purposes of this section.
1057	(2) This section provides a cause of action for the
1058	actions of a regional water supply authority, in siting and
1059	constructing a reservoir as described in subsection (1), that
1060	may not rise to the level of a taking under the State
1061	Constitution or the United States Constitution. This section may
1062	not necessarily be construed under the case law regarding
1063	takings if the action of a regional water supply authority does
1064	not rise to the level of a taking. The provisions of this
1065	section are cumulative and do not abrogate any other remedy
1066	lawfully available, including any remedy lawfully available for
1067	the actions of a regional water supply authority that rise to
1068	the level of a taking.
1069	(3) Each owner of real property located within 10,000 feet
1070	of the center of the footprint of a regional reservoir, as
1071	described in subsection (1), or 5,500 feet from the exterior of
1072	the berm of such reservoir, may present a claim for compensation
1073	in writing to the head of the regional water supply authority on
1074	or before December 31, 2004, for a loss in property value
1075	resulting from the proximity of the reservoir. For each claim
1076	presented under this section, section 70.001, Florida Statutes,
1077	applies, except when there is conflict with this section, the
1078	provisions of this section shall govern.
1079	(a) The property owner must submit along with the claim a
1080	bona fide, valid appraisal that supports the claim and
	Page 36 of 39

	HB 0105A, Engrossed 1 2003
1081	demonstrates the loss in property value to the real property.
1082	(b) A claim under this section shall be presented only to
1083	the regional water supply authority that is authorized to
1084	construct, operate, and maintain the reservoir.
1085	(4) The Legislature recognizes that construction and
1086	maintenance of a regional reservoir may not necessarily
1087	interfere with allowable uses of real property near the
1088	reservoir. However, the siting and construction of the reservoir
1089	may result in an actual loss in property value of real property
1090	located within 10,000 feet of the center of the footprint of the
1091	reservoir, or 5,500 feet from the exterior of the berm, because
1092	of the proximity of the reservoir. Therefore, any offer of
1093	compensation by the regional water supply authority shall be
1094	based solely on the loss in property value for the property
1095	owner as a result of the proximity of the reservoir and not on
1096	the effects the reservoir has on existing uses or on a vested
1097	right to a specific use of real property.
1098	(a) Notwithstanding section 70.001, Florida Statutes, the
1099	regional water supply authority to whom a claim is presented
1100	shall, not later than 180 days after receiving such claim:
1101	1. Make a written offer to purchase the real property if
1102	there is more than a 50-percent loss in value to the real
1103	property as a result of the proximity of the reservoir and if
1104	the property owner is a willing seller;
1105	2. Make a written offer to purchase an interest in rights
1106	of use which may become transferable development rights to be
1107	held, sold, or otherwise disposed of by the regional water
1108	supply authority; or
1109	3. Terminate negotiations.
1110	(b) An offer by the regional water supply authority to
I	Page 37 of 39

	HB 0105A, Engrossed 1 2003
1111	purchase the property in fee or purchase an interest in rights
1112	of use under this section shall cover the cost of the appraisal
1113	required in subsection(3).
1114	(5) During the 180-day period, unless the property owner
1115	accepts a written offer for purchase pursuant to subparagraph
1116	(4)(a)1. or 2., the regional water supply authority shall issue
1117	a final decision stating that:
1118	(a) The real property has a loss in property value due to
1119	an inordinate burden on the property resulting from the
1120	proximity of the reservoir and the regional water supply
1121	authority and property owner cannot reach agreement on the
1122	amount of compensation; or
1123	(b) The property owner has failed to establish a basis for
1124	relief under the provisions of this section and section 70.001,
1125	Florida Statutes.
1126	
1127	Failure of the regional water supply authority to issue a final
1128	decision as required by this subsection shall cause the written
1129	offer or termination of negotiations required in subsection (4)
1130	to operate as a final decision. As a matter of law, this final
1131	decision constitutes the last prerequisite to judicial review of
1132	the merits for the purposes of the judicial proceeding provided
1133	for in section 70.001, Florida Statutes.
1134	(6) The circuit court, for purposes of this section, shall
1135	determine whether, considering the written offer and final
1136	decision, the regional water supply authority has inordinately
1137	burdened the subject real property. Following a determination
1138	that the regional water supply authority has inordinately
1139	burdened the real property, the court shall impanel a jury to
1140	determine the total amount of compensation to the property owner
I	Page 38 of 39

	HB 0105A, Engrossed 1 2003
1141	for the loss in property value due to the inordinate burden to
1142	the subject real property.
1143	(7) Pursuant to section 70.001, Florida Statutes, the
1144	court may award reasonable costs and attorney's fees and the
1145	court shall determine the amount. If the court awards the
1146	property owner reasonable costs and attorney's fees, the costs
1147	shall include the cost of the appraisal required in subsection
1148	<u>(3).</u>
1149	(8) This section shall take effect July 1, 2003, and is
1150	repealed effective January 1, 2005. However, the repeal of this
1151	section shall not affect a claim filed on or before December 31,
1152	2004.
1153	Section 23. If any law amended by this act was also
1154	amended by a law enacted at the 2003 Regular Session of the
1155	Legislature, such laws shall be construed as if they had been
1156	enacted at the same session of the Legislature, and full effect
1157	shall be given to each if possible.
1158	Section 24. Except as otherwise provided herein, this act
1159	shall take effect upon becoming a law and shall apply to all
1160	contracts pending on that date.