

CHAMBER ACTION

1 The Committee on Natural Resources recommends the following:

2
3 **Committee Substitute**

4 Remove the entire bill and insert:

5
6 A bill to be entitled

7 An act relating to water resources; amending s. 159.803,
8 F.S.; revising the definition of "priority project";
9 creating s. 373.227, F.S.; requiring the development of a
10 comprehensive statewide water conservation program for
11 public water supply; establishing the purposes of the
12 program; requiring the creation of a clearinghouse or
13 inventory to provide an integrated database for
14 information on public water supply conservation programs;
15 authorizing public water supply utilities to propose goal-
16 based water conservation plans or programs with measurable
17 goals; providing that goal-based water conservation plans
18 or programs that are developed by public water supply
19 utilities and that provide reasonable assurance of
20 achieving water conservation at least as well as
21 conservation requirements adopted by the appropriate water
22 management district meet water conservation requirements
23 imposed as a condition of obtaining a consumptive use

24 permit; requiring the submission of a report by the
25 Department of Environmental Protection; providing
26 rulemaking authority to the Department of Environmental
27 Protection and the water management districts; amending s.
28 373.0361, F.S.; providing for a public workshop on the
29 development of regional water supply plans that include
30 the consideration of population projections; providing for
31 a list of water source options in regional water supply
32 plans; providing additional regional water supply plan
33 components; including conservation measures in regional
34 water supply plans; revising specified reporting
35 requirements of the Department of Environmental
36 Protection; providing that a district water management
37 plan may not be used as criteria for the review of permits
38 for consumptive uses of water unless the plan or
39 applicable portion thereof has been adopted by rule;
40 providing construction; amending s. 373.0831, F.S.;
41 revising the criteria by which water supply development
42 projects may receive priority consideration for funding
43 assistance; providing for permitting and funding of a
44 proposed alternative water supply project identified in
45 the relevant approved regional water supply plan; amending
46 s. 373.1961, F.S.; providing funding priority; providing
47 for the establishment of a revolving loan fund for
48 alternative water supply projects; providing conditions
49 for certain projects to receive funding assistance;
50 amending s. 373.536, F.S.; expanding requirements of the
51 5-year water resource development work program for water

52 management districts; amending s. 403.064, F.S.; revising
 53 provisions relating to reuse feasibility studies;
 54 providing for metering use of reclaimed water and volume-
 55 based rates therefor; requiring wastewater utilities to
 56 submit plans for metering use and volume-based rate
 57 structures to the department; creating s. 403.0645, F.S.;
 58 requiring certain uses of reclaimed water at state
 59 facilities; requiring state agencies and water management
 60 districts to submit to the Secretary of Environmental
 61 Protection periodic reports concerning reclaimed water
 62 use; amending s. 403.1835, F.S.; authorizing the
 63 Department of Environmental Protection to make specified
 64 deposits for the purpose of enabling below-market interest
 65 rate loans for treatment of polluted water; providing for
 66 a study of the feasibility of discharging reclaimed
 67 wastewater into canals and the aquifer system in a
 68 specified area as an environmentally acceptable means of
 69 accomplishing described objectives; requiring reports;
 70 providing an effective date.

71
 72 Be It Enacted by the Legislature of the State of Florida:
 73

74 Section 1. Subsection (5) of section 159.803, Florida
 75 Statutes, is amended to read:

76 159.803 Definitions.--As used in this part, the term:
 77 (5) "Priority project" means a solid waste disposal
 78 facility or a sewage facility, as such terms are defined in s.
 79 142 of the Code, or water facility, as defined in s. 142 of the

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

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80 Code, which is operated by a member-owned, not-for-profit
 81 utility, or any project which is to be located in an area which
 82 is an enterprise zone designated pursuant to s. 290.0065.

83 Section 2. Section 373.227, Florida Statutes, is created
 84 to read:

85 373.227 Water conservation; legislative findings;
 86 legislative intent; objectives; comprehensive statewide water
 87 conservation program requirements.--

88 (1) The Legislature recognizes that the proper
 89 conservation of water is an important means of achieving the
 90 economical and efficient utilization of water necessary, in
 91 part, to constitute a reasonable-beneficial use. The overall
 92 water conservation goal of the state is to prevent and reduce
 93 wasteful, uneconomical, impractical, or unreasonable use of
 94 water resources. The Legislature finds that the social,
 95 economic, and cultural conditions of the state relating to the
 96 use of public water supply vary by service area and that public
 97 water supply utilities must have the flexibility to tailor water
 98 conservation measures to best suit their individual
 99 circumstances. The Legislature encourages the use of efficient,
 100 effective, and affordable water conservation measures. Where
 101 water is provided by a public water supply utility, the
 102 Legislature intends that a variety of conservation measures be
 103 made available and used to encourage efficient water use. To
 104 achieve these conservation objectives, the state should
 105 emphasize goal-based, accountable, tailored, and measurable
 106 water conservation programs for public water supply. For
 107 purposes of this section, "public water supply utility" shall

108 | include both publicly owned and privately owned public water
 109 | supply utilities that sell potable water on a retail basis to
 110 | end users.

111 | (2) To implement the findings in subsection (1), the
 112 | department, in cooperation with the water management districts
 113 | and other stakeholders, shall develop a comprehensive statewide
 114 | water conservation program for public water supply. The program
 115 | should:

116 | (a) Encourage utilities to implement water conservation
 117 | programs which are economically efficient, effective,
 118 | affordable, and appropriate;

119 | (b) Allow no reduction in, and increase where possible,
 120 | utility-specific water conservation effectiveness over current
 121 | programs;

122 | (c) Be goal-based, accountable, measurable, and
 123 | implemented collaboratively with water suppliers, water users,
 124 | and water management agencies;

125 | (d) Include cost and benefit data on individual water
 126 | conservation practices to assist in tailoring practices to be
 127 | effective for the unique characteristics of particular utility
 128 | service areas, focusing upon cost-effective measures;

129 | (e) Use standardized public water supply conservation
 130 | definitions and standardized quantitative and qualitative
 131 | performance measures for an overall system of assessing and
 132 | benchmarking the effectiveness of water conservation programs
 133 | and practices;

134 | (f) Create a clearinghouse or inventory for water
 135 | conservation programs and practices available to public water

136 supply utilities that will provide an integrated statewide
 137 database for the collection, evaluation, and dissemination of
 138 quantitative and qualitative information on public water supply
 139 conservation programs and practices and their effectiveness. The
 140 clearinghouse or inventory should have technical assistance
 141 capabilities to aid in the design, refinement, and
 142 implementation of water conservation programs and practices. The
 143 clearinghouse or inventory shall also provide for continual
 144 assessment of the effectiveness of water conservation programs
 145 and practices;

146 (g) Develop a standardized water conservation planning
 147 process for utilities; and

148 (h) Develop and maintain a Florida-specific water
 149 conservation guidance document containing a menu of affordable
 150 and effective water conservation practices to assist public
 151 water supply utilities in the design and implementation of goal-
 152 based, utility-specific water conservation plans tailored for
 153 their individual service areas as provided in subsection (4).

154 (3) Regarding the use of water conservation or drought
 155 rate structures as a conservation practice, a water management
 156 district shall afford a public water supply utility wide
 157 latitude in selecting a rate structure and shall limit its
 158 review to whether the utility has provided reasonable assurance
 159 that the rate structure contains a schedule of rates designed to
 160 promote efficient use of water by providing economic incentives.
 161 A water management district shall not fix or revise rates.

162 (4) As part of an application for a consumptive use
 163 permit, a public water supply utility may propose a goal-based

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164 water conservation plan or program that is tailored to its
165 individual circumstances in lieu of the water conservation
166 requirements adopted by the appropriate water management
167 district. Progress towards goals must be measurable. If the
168 utility provides reasonable assurance that the plan will achieve
169 effective water conservation at least as well as the water
170 conservation requirements adopted by the appropriate water
171 management district, and is consistent with s. 373.223, F.S.,
172 the district must approve the plan which shall satisfy water
173 conservation requirements imposed as a condition of obtaining a
174 consumptive use permit. The conservation measures included in an
175 approved goal-based water conservation plan may be reviewed
176 periodically and updated as needed to ensure efficient water use
177 for the duration of the permit. If the plan fails to meet the
178 water conservation goal or goals by the timeframes specified in
179 the permit, then the public water supply utility shall either
180 revise the plan to address the deficiency or employ the water
181 conservation requirements that would otherwise apply in the
182 absence of an approved goal-based plan.

183 (5) By December 1, 2005, the department is directed to
184 submit a written report to the President of the Senate, the
185 Speaker of the House of Representatives, and the appropriate
186 substantive committees of the Senate and the House of
187 Representatives on the progress made in implementing the
188 comprehensive statewide water conservation program for public
189 water supply required by this section. The report shall include
190 any statutory changes and funding requests necessary for
191 continued development and implementation of the program.

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192 (6) The department or a water management district may
193 adopt rules pursuant to ss. 120.536(1) and 120.54 to carry out
194 the purposes of this section.

195 Section 3. Subsections (1), (2), (5), and (6) of section
196 373.0361, Florida Statutes, are amended to read:

197 373.0361 Regional water supply planning.--

198 (1) By October 1, 1998, the governing board shall initiate
199 water supply planning for each water supply planning region
200 identified in the district water management plan under s.
201 373.036, where it determines that sources of water are not
202 adequate for the planning period to supply water for all
203 existing and projected reasonable-beneficial uses and to sustain
204 the water resources and related natural systems. The planning
205 must be conducted in an open public process, in coordination and
206 cooperation with local governments, regional water supply
207 authorities, government-owned and privately owned water
208 utilities, self-suppliers, and other affected and interested
209 parties. During development but prior to completion of the
210 regional water supply plan, the district must conduct at least
211 one public workshop to discuss the technical data and modeling
212 tools anticipated to be used to support the plan. A
213 determination by the governing board that initiation of a
214 regional water supply plan for a specific planning region is not
215 needed pursuant to this section shall be subject to s. 120.569.
216 The governing board shall reevaluate such a determination at
217 least once every 5 years and shall initiate a regional water
218 supply plan, if needed, pursuant to this subsection.

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

222 (a) A water supply development component that includes:

223 1. A quantification of the water supply needs for all
 224 existing and reasonably projected future uses within the
 225 planning horizon. The level-of-certainty planning goal
 226 associated with identifying the water supply needs of existing
 227 and future reasonable-beneficial uses shall be based upon
 228 meeting those needs for a 1-in-10-year drought event. Population
 229 projections used for determining public water supply needs must
 230 be based upon the best available data. In determining the best
 231 available data, the district shall consider the University of
 232 Florida's Bureau of Economic and Business Research (BEBR) medium
 233 population projections and any population projection data and
 234 analysis submitted by a local government pursuant to the public
 235 workshop described in subsection (1) if the data and analysis
 236 support the local government's comprehensive plan. Any
 237 adjustment of or deviation from the BEBR projections must be
 238 fully described, and the original BEBR data must be presented
 239 along with the adjusted data.

240 2. A list of water source options ~~for water supply~~
 241 ~~development~~, including traditional and alternative source
 242 options ~~sources~~, from which local government, government-owned
 243 and privately owned utilities, self-suppliers, and others may
 244 choose, for water supply development, the total capacity of
 245 which will, in conjunction with water conservation and other

246 | demand management measures, exceed the needs identified in
 247 | subparagraph 1.

248 | 3. For each option listed in subparagraph 2., the
 249 | estimated amount of water available for use and the estimated
 250 | costs of and potential sources of funding for water supply
 251 | development.

252 | 4. A list of water supply development projects that meet
 253 | the criteria in s. 373.0831(4).

254 | (b) A water resource development component that includes:

255 | 1. A listing of those water resource development projects
 256 | that support water supply development.

257 | 2. For each water resource development project listed:

258 | a. An estimate of the amount of water to become available
 259 | through the project.

260 | b. The timetable for implementing or constructing the
 261 | project and the estimated costs for implementing, operating, and
 262 | maintaining the project.

263 | c. Sources of funding and funding needs.

264 | d. Who will implement the project and how it will be
 265 | implemented.

266 | (c) The recovery and prevention strategy described in s.
 267 | 373.0421(2).

268 | (d) A funding strategy for water resource development
 269 | projects, which shall be reasonable and sufficient to pay the
 270 | cost of constructing or implementing all of the listed projects.

271 | (e) Consideration of how the options addressed in
 272 | paragraphs (a) and (b) serve the public interest or save costs
 273 | overall by preventing the loss of natural resources or avoiding

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274 greater future expenditures for water resource development or
275 water supply development. However, unless adopted by rule, these
276 considerations do not constitute final agency action.

277 (f) The technical data and information applicable to the
278 planning region which are contained in the district water
279 management plan and are necessary to support the regional water
280 supply plan.

281 (g) The minimum flows and levels established for water
282 resources within the planning region.

283 (h) Reservations of water adopted by rule pursuant to s.
284 373.223(4).

285 (i) An analysis, developed in cooperation with the
286 department, of areas or instances in which the variance
287 provisions of s. 378.212(1)(g) or s. 378.404(9) may be used to
288 create water supply development or water resource development
289 projects.

290
291 Within the boundaries of a regional water supply authority in
292 the Southwest Florida Water Management District, the water
293 supply development component of the regional water supply plan
294 relating to the use of water by the authority shall be developed
295 jointly by the authority and the district.

296 (5) ~~By November 15, 1997, and~~ Annually and in conjunction
297 with the reporting requirements of s. 373.536(6)(a)4.
298 ~~thereafter,~~ the department shall submit to the Governor and the
299 Legislature a report on the status of regional water supply
300 planning in each district. The report shall include:

301 (a) A compilation of the estimated costs of and potential
 302 sources of funding for water resource development and water
 303 supply development projects, as identified in the water
 304 management district regional water supply plans.

305 (b) A description of each district's progress toward
 306 achieving its water resource development objectives, as directed
 307 by s. 373.0831(3), including the district's implementation of
 308 its 5-year water resource development work program.

309 (c) An assessment of the overall progress being made to
 310 develop water supply that is consistent with regional water
 311 supply plans to meet existing and future reasonable-beneficial
 312 needs during a 1-in-10-year drought.

313 (6) Nothing contained in the water supply development
 314 component of the district water management plan shall be
 315 construed to require local governments, government-owned or
 316 privately owned water utilities, self-suppliers, or other water
 317 suppliers to select a water supply development option identified
 318 in the component merely because it is identified in the plan,
 319 nor may the plan be used in the review of permits under part II
 320 unless the plan, or an applicable portion thereof, has been
 321 adopted by rule. However, this subsection does not prohibit a
 322 water management district from employing the data or other
 323 information used to establish the plan in reviewing permits
 324 under part II, nor does it ~~shall not be construed~~ to limit the
 325 authority of the department or governing board under part II.

326 Section 4. Subsection (3) of section 373.0831, Florida
 327 Statutes, is amended, and paragraph (c) is added to subsection
 328 (4) of that section, to read:

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329 373.0831 Water resource development; water supply
330 development.--

331 (3) The water management districts shall fund and
332 implement water resource development as defined in s. 373.019.
333 The water management districts are encouraged to implement water
334 resource development as expeditiously as possible in areas
335 subject to regional water supply plans. Each governing board
336 shall include in its annual budget the amount needed for the
337 fiscal year to implement water resource development projects, as
338 prioritized in its regional water supply plans.

339 (4)

340 (c) If a proposed alternative water supply development
341 project is identified in the relevant approved regional water
342 supply plan, the project shall receive:

343 1. A 20-year consumptive use permit, if it otherwise meets
344 the permit requirements under ss. 373.223 and 373.236 and rules
345 adopted thereunder.

346 2. Consideration for priority funding pursuant to s.
347 373.1961(2) if the project meets one of the criteria in this
348 subsection.

349 Section 5. Subsection (2) of section 373.1961, Florida
350 Statutes, is amended to read:

351 373.1961 Water production.--

352 (2) The Legislature finds that, due to a combination of
353 factors, vastly increased demands have been placed on natural
354 supplies of fresh water, and that, absent increased development
355 of alternative water supplies, such demands may increase in the
356 future. The Legislature also finds that potential exists in the

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357 state for the production of significant quantities of
358 alternative water supplies, including reclaimed water, and that
359 water production includes the development of alternative water
360 supplies, including reclaimed water, for appropriate uses. It is
361 the intent of the Legislature that utilities develop reclaimed
362 water systems, where reclaimed water is the most appropriate
363 alternative water supply option, to deliver reclaimed water to
364 as many users as possible through the most cost-effective means,
365 and to construct reclaimed water system infrastructure to their
366 owned or operated properties and facilities where they have
367 reclamation capability. It is also the intent of the Legislature
368 that the water management districts which levy ad valorem taxes
369 for water management purposes should share a percentage of those
370 tax revenues with water providers and users, including local
371 governments, water, wastewater, and reuse utilities, municipal,
372 industrial, and agricultural water users, and other public and
373 private water users, to be used to supplement other funding
374 sources in the development of alternative water supplies. The
375 Legislature finds that public moneys or services provided to
376 private entities for such uses constitute public purposes which
377 are in the public interest. In order to further the development
378 and use of alternative water supply systems, including reclaimed
379 water systems, the Legislature provides the following:

380 (a) The governing boards of the water management districts
381 where water resource caution areas have been designated shall
382 include in their annual budgets an amount for the development of
383 alternative water supply systems, including reclaimed water
384 systems, pursuant to the requirements of this subsection.

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385 Beginning in 1996, such amounts shall be made available to water
386 providers and users no later than December 31 of each year,
387 through grants, matching grants, revolving loans, or the use of
388 district lands or facilities pursuant to the requirements of
389 this subsection and guidelines established by the districts. In
390 making grants or loans, funding priority must be given to
391 projects in accordance with s. 373.0831(4). Without diminishing
392 amounts available through other means described in this
393 paragraph, the governing boards are encouraged to consider
394 establishing revolving loan funds to expand the total funds
395 available to accomplish the objectives of this section. A
396 revolving loan fund created under this paragraph must be a
397 nonlapsing fund from which the water management district may
398 make loans with interest rates below prevailing market rates to
399 public or private entities for the purposes described in this
400 section. The governing board may adopt resolutions to establish
401 revolving loan funds which must specify the details of the
402 administration of the fund, the procedures for applying for
403 loans from the fund, the criteria for awarding loans from the
404 fund, the initial capitalization of the fund, and the goals for
405 future capitalization of the fund in subsequent budget years.
406 Revolving loan funds created under this paragraph must be used
407 to expand the total sums and sources of cooperative funding
408 available for the development of alternative water supplies. The
409 Legislature does not intend for the creation of revolving loan
410 funds to supplant or otherwise reduce existing sources or
411 amounts of funds currently available through other means.

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

419 1. Provide meaningful progress toward the development and
 420 implementation of alternative water supply systems, including
 421 reclaimed water systems;

422 2. Promote the conservation of fresh water withdrawn from
 423 natural systems;

424 3. Provide for an appropriate distribution of costs for
 425 all water, wastewater, and alternative water supply utilities,
 426 including reclaimed water utilities, among all of the users of
 427 those utilities; and

428 4. Prohibit rate discrimination within classes of utility
 429 users.

430 (c) Funding assistance provided by the water management
 431 districts for a water reuse system project may include the
 432 following grant or loan conditions for that project if the water
 433 management district determines that such conditions will
 434 encourage water use efficiency:

435 1. Metering of reclaimed water use for the following
 436 activities: residential irrigation, agricultural irrigation,
 437 industrial uses except for electric utilities as defined in s.
 438 366.02(2), landscape irrigation, irrigation of other public

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439 access areas, commercial and institutional uses such as toilet
440 flushing, and transfers to other reclaimed water utilities.

441 2. Implementation of reclaimed water rate structures based
442 on actual use of reclaimed water for the types of reuse
443 activities listed in subparagraph 1.

444 3. Implementation of education programs to inform the
445 public about water issues, water conservation, and the
446 importance and proper use of reclaimed water.

447 4. Development of location data for key reuse facilities.

448 (d)(e) In order to be eligible for funding pursuant to
449 this subsection, a project must be consistent with a local
450 government comprehensive plan and the governing body of the
451 local government must require all appropriate new facilities
452 within the project's service area to connect to and use the
453 project's alternative water supplies. The appropriate local
454 government must provide written notification to the appropriate
455 district that the proposed project is consistent with the local
456 government comprehensive plan.

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

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

465 1. An application process and a deadline for filing
466 applications annually.

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467 2. A process for determining project eligibility pursuant
468 to the requirements of paragraphs (d) ~~(e)~~ and (e) ~~(d)~~.

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

472 (g)~~(f)~~ The governing board of each water management
473 district shall establish an alternative water supplies grants
474 advisory committee to recommend to the governing board projects
475 for funding pursuant to this subsection. The advisory committee
476 members shall include, but not be limited to, one or more
477 representatives of county, municipal, and investor-owned private
478 utilities, and may include, but not be limited to,
479 representatives of agricultural interests and environmental
480 interests. Each committee member shall represent his or her
481 interest group as a whole and shall not represent any specific
482 entity. The committee shall apply the guidelines and project
483 eligibility criteria established by the governing board in
484 reviewing proposed projects. After one or more hearings to
485 solicit public input on eligible projects, the committee shall
486 rank the eligible projects and shall submit them to the
487 governing board for final funding approval. The advisory
488 committee may submit to the governing board more projects than
489 the available grant money would fund.

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

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495 (i)~~(h)~~ For purposes of this subsection, alternative water
 496 supplies are supplies of water that have been reclaimed after
 497 one or more public supply, municipal, industrial, commercial, or
 498 agricultural uses, or are supplies of stormwater, or brackish or
 499 salt water, that have been treated in accordance with applicable
 500 rules and standards sufficient to supply the intended use.

501 (j)~~(i)~~ This subsection shall not be subject to the
 502 rulemaking requirements of chapter 120.

503 (k)~~(j)~~ By January 30 of each year, each water management
 504 district shall submit an annual report to the Governor, the
 505 President of the Senate, and the Speaker of the House of
 506 Representatives which accounts for the disbursement of all budgeted
 507 amounts pursuant to this subsection. Such report shall describe
 508 all projects funded and shall account separately for moneys
 509 provided through grants, matching grants, revolving loans, and
 510 the use of district lands or facilities.

511 (l)~~(k)~~ The Florida Public Service Commission shall allow
 512 entities under its jurisdiction constructing alternative water
 513 supply facilities, including but not limited to aquifer storage
 514 and recovery wells, to recover the full, prudently incurred cost
 515 of such facilities through their rate structure. Every component
 516 of an alternative water supply facility constructed by an
 517 investor-owned utility shall be recovered in current rates.

518 Section 6. Paragraph (a) of subsection (6) of section
 519 373.536, Florida Statutes, is amended to read:

520 373.536 District budget and hearing thereon.--

521 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN;
 522 WATER RESOURCE DEVELOPMENT WORK PROGRAM.--

523 (a) Each district must, by the date specified for each
 524 item, furnish copies of the following documents to the Governor,
 525 the President of the Senate, the Speaker of the House of
 526 Representatives, the chairs of all legislative committees and
 527 subcommittees having substantive or fiscal jurisdiction over the
 528 districts, as determined by the President of the Senate or the
 529 Speaker of the House of Representatives as applicable, the
 530 secretary of the department, and the governing board of each
 531 county in which the district has jurisdiction or derives any
 532 funds for the operations of the district:

533 1. The adopted budget, to be furnished within 10 days
 534 after its adoption.

535 2. A financial audit of its accounts and records, to be
 536 furnished within 10 days after its acceptance by the governing
 537 board. The audit must be conducted in accordance with the
 538 provisions of s. 11.45 and the rules adopted thereunder. In
 539 addition to the entities named above, the district must provide
 540 a copy of the audit to the Auditor General within 10 days after
 541 its acceptance by the governing board.

542 3. A 5-year capital improvements plan, to be furnished
 543 within 45 days after the adoption of the final budget. The plan
 544 must include expected sources of revenue for planned
 545 improvements and must be prepared in a manner comparable to the
 546 fixed capital outlay format set forth in s. 216.043.

547 4. A 5-year water resource development work program to be
 548 furnished within 45 days after the adoption of the final budget.
 549 The program must describe the district's implementation strategy
 550 for the water resource development component of each approved

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551 regional water supply plan developed or revised under s.
552 373.0361. The work program must address all the elements of the
553 water resource development component in the district's approved
554 regional water supply plans and must identify which projects in
555 the work program will provide water, explain how each water
556 resource development project will produce additional water
557 available for consumptive uses, estimate the quantity of water
558 to be produced by each project, and provide an assessment of the
559 contribution of the district's regional water supply plans in
560 providing sufficient water to meet the water supply needs of
561 existing and future reasonable-beneficial uses for a 1-in-10-
562 year drought event. Within 45 days after its submittal, the
563 department shall review the proposed work program and submit its
564 findings, questions, and comments to the district. The review
565 must include a written evaluation of the program's consistency
566 with the furtherance of the district's approved regional water
567 supply plans, and the adequacy of proposed expenditures. As part
568 of the review, the department shall give interested parties the
569 opportunity to provide written comments on each district's
570 proposed work program. Within 60 days after receipt of the
571 department's evaluation, the governing board shall state in
572 writing to the department which changes recommended in the
573 evaluation it will incorporate into its work program or specify
574 the reasons for not incorporating the changes. The department
575 shall include the district's responses in a final evaluation
576 report and shall submit a copy of the report to the Governor,
577 the President of the Senate, and the Speaker of the House of
578 Representatives.

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579 (b) If any entity listed in paragraph (a) provides written
580 comments to the district regarding any document furnished under
581 this subsection, the district must respond to the comments in
582 writing and furnish copies of the comments and written responses
583 to the other entities.

584 Section 7. Subsections (1) and (6) of section 403.064,
585 Florida Statutes, are amended, and subsection (16) is added to
586 that section, to read:

587 403.064 Reuse of reclaimed water.--

588 (1) The encouragement and promotion of water conservation,
589 and reuse of reclaimed water, as defined by the department, are
590 state objectives and are considered to be in the public
591 interest. The Legislature finds that the reuse of reclaimed
592 water is a critical component of meeting the state's existing
593 and future water supply needs while sustaining natural systems.
594 The Legislature further finds that for those wastewater
595 treatment plants permitted and operated under an approved reuse
596 program by the department, the reclaimed water shall be
597 considered environmentally acceptable and not a threat to public
598 health and safety. The Legislature encourages the development of
599 incentive-based programs for reuse implementation.

600 (6) A reuse feasibility study prepared under subsection
601 (2) satisfies a water management district requirement to conduct
602 a reuse feasibility study imposed on a local government or
603 utility that has responsibility for wastewater management. The
604 data included in the study and the conclusions of the study must
605 be given significant consideration by the applicant and the
606 appropriate water management district in an analysis of the

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607 economic, environmental, and technical feasibility of providing
 608 reclaimed water for reuse under part II of chapter 373 and must
 609 be presumed relevant to the determination of feasibility. A
 610 water management district may not require a separate study when
 611 a reuse feasibility study has been completed under subsection
 612 (2).

613 (16) Utilities implementing reuse projects are encouraged,
 614 except in the case of use by electric utilities as defined in s.
 615 366.02(2), to meter use of reclaimed water by all end users and
 616 to charge for the use of reclaimed water based on the actual
 617 volume used when such metering and charges can be shown to
 618 encourage water conservation. Metering and the use of volume-
 619 based rates are effective water management tools for the
 620 following reuse activities: residential irrigation, agricultural
 621 irrigation, industrial uses, landscape irrigation, irrigation of
 622 other public access areas, commercial and institutional uses
 623 such as toilet flushing, and transfers to other reclaimed water
 624 utilities. Beginning with the submittal due on January 1, 2005,
 625 each domestic wastewater utility that provides reclaimed water
 626 for the reuse activities listed in this section shall include a
 627 summary of its metering and rate structure as part of its annual
 628 reuse report to the department.

629 Section 8. Section 403.0645, Florida Statutes, is created
 630 to read:

631 403.0645 Reclaimed water use at state facilities.--

632 (1) The encouragement and promotion of reuse of reclaimed
 633 water has been established as a state objective in ss. 373.250
 634 and 403.064. Reuse has become an integral part of water and

635 wastewater management in Florida, and Florida is recognized as a
 636 national leader in water reuse.

637 (2) The state and various state agencies and water
 638 management districts should take a leadership role in using
 639 reclaimed water in lieu of other water sources. The use of
 640 reclaimed water by state agencies and facilities will conserve
 641 potable water and will serve an important public education
 642 function.

643 (3) Each state agency and water management district shall
 644 use reclaimed water to the greatest extent practicable for
 645 landscape irrigation, toilet flushing, aesthetic features such
 646 as decorative ponds and fountains, cooling water, and other
 647 useful purposes allowed by department rules at state facilities,
 648 including, but not limited to, parks, rest areas, visitor
 649 welcome centers, buildings, college campuses, and other
 650 facilities.

651 (4) Each state agency and water management district shall
 652 submit to the Secretary of Environmental Protection by February
 653 1 of each year a summary of activities designed to utilize
 654 reclaimed water at its facilities along with a summary of the
 655 amounts of reclaimed water actually used for beneficial
 656 purposes.

657 Section 9. Paragraph (b) of subsection (3) of section
 658 403.1835, Florida Statutes, is amended to read:

659 403.1835 Water pollution control financial assistance.--

660 (3) The department may provide financial assistance
 661 through any program authorized under s. 603 of the Federal Water
 662 Pollution Control Act (Clean Water Act), Pub. L. No. 92-500, as

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663 amended, including, but not limited to, making grants and loans,
664 providing loan guarantees, purchasing loan insurance or other
665 credit enhancements, and buying or refinancing local debt. This
666 financial assistance must be administered in accordance with
667 this section and applicable federal authorities. The department
668 shall administer all programs operated from funds secured
669 through the activities of the Florida Water Pollution Control
670 Financing Corporation under s. 403.1837, to fulfill the purposes
671 of this section.

672 (b) The department may make or request the corporation to
673 make loans, grants, and deposits to other entities eligible to
674 participate in the financial assistance programs authorized
675 under the Federal Water Pollution Control Act, or as a result of
676 other federal action, which entities may pledge any revenue
677 available to them to repay any funds borrowed. Notwithstanding
678 s. 17.57, the department may make deposits to financial
679 institutions which earn less than the prevailing rate for United
680 States Treasury securities with corresponding maturities for the
681 purpose of enabling such financial institutions to make below-
682 market interest rate loans to entities qualified to receive
683 loans under this section and the rules of the department.

684 Section 10. The Legislature finds that, within the area
685 identified in the Lower East Coast Regional Water Supply Plan
686 approved by the South Florida Water Management District pursuant
687 to section 373.0361, Florida Statutes, the groundwater levels
688 can benefit from augmentation. The Legislature finds that the
689 direct or indirect discharge of reclaimed water into canals and
690 the aquifer system for transport and subsequent reuse may

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691 provide an environmentally acceptable means to augment water
692 supplies and enhance natural systems; however, the Legislature
693 also recognizes that there are water quality and water quantity
694 issues that must be better understood and resolved. In addition,
695 cost savings may be possible by collocating enclosed conduits
696 for conveyance of water for reuse in this area within canal
697 rights-of-way which should be investigated. The Department of
698 Environmental Protection, in consultation with the South Florida
699 Water Management District, southeast Florida utilities, affected
700 local governments, including local governments with principal
701 responsibility for the operation and maintenance of a water
702 control system capable of conveying reclaimed wastewater for
703 reuse, representatives of the environmental and engineering
704 communities, public health professionals, and individuals who
705 have expertise in water quality, shall conduct a study to
706 investigate the feasibility of discharging reclaimed wastewater
707 into canals and the aquifer system as an environmentally
708 acceptable means of augmenting groundwater supplies, enhancing
709 natural systems, and conveying reuse water within enclosed
710 conduits within the canal right-of-way. In the event any
711 discharges are made as part of the study, such discharges must
712 comply with applicable federal, state and local law, including
713 applicable regulations. The study must include an assessment of
714 the water quality, water supply, public health, technical, and
715 legal implications related to the canal discharge and
716 collocation concepts. The department shall issue a preliminary
717 written report containing draft findings and recommendations for
718 public comment by November 1, 2005. The department shall provide

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719 | a written report on the results of its study, including public
720 | comments received, to the Governor and the relevant substantive
721 | committees of the Senate and the House of Representatives by
722 | January 31, 2006. This section may not be used to alter the
723 | purpose of the Comprehensive Everglades Restoration Plan or the
724 | implementation of the Water Resources Development Act of 2000.

725 | Section 11. This act shall take effect upon becoming a law
726 | and shall apply to all contracts pending on that date.