

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Environmental Preservation Committee

BILL: SB 1352

SPONSOR: Senator Aronberg

SUBJECT: Florida Inland Navigation District

DATE: March 10, 2005

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------------|----------------|-----------|------------------|
| 1. | <u>Molloy</u> | <u>Kiger</u> | <u>EP</u> | Favorable |
| 2. | _____ | _____ | <u>CA</u> | _____ |
| 3. | _____ | _____ | _____ | _____ |
| 4. | _____ | _____ | _____ | _____ |
| 5. | _____ | _____ | _____ | _____ |
| 6. | _____ | _____ | _____ | _____ |

I. Summary:

This bill expands the responsibilities and authority of the board of the Florida Inland Navigation District (District) with respect to the improvement and maintenance of the Intracoastal Waterway from St. Mary's River to the southernmost boundary of Miami-Dade County, to add responsibilities for that portion of the Okeechobee Waterway (which crosses Lake Okeechobee) located in Martin and Palm Beach counties and which was authorized as a federal project under the River and Harbor Act of March 2, 1945. The bill also provides that the District is not required to undertake actions to restore navigation when Lake Okeechobee water levels are less than 12.5 feet National Geodetic Vertical Datum.

This bill substantially amends the following sections of the Florida Statutes: s. 374.984.

II. Present Situation:

Florida Inland Navigation District

The Florida Inland Navigation District, a multi-county independent special district, was created in 1927 when the Legislature enacted chapter 12026, Laws of Florida. All applicable laws and acts relating to the District were codified in statute in 1996 by the enactment of ch. 96-425, Laws of Florida.

The primary purpose of the district is to serve as the "local sponsor" for the Atlantic Intracoastal Waterway project in Florida, which is a state/federal navigation project. Primary responsibilities include the acquisition of lands necessary for the creation of the waterway and for use as spoil deposit sites for materials removed from the waterway channel during dredging activities.

The District also provides funding assistance to other governments through its Waterways and Cooperative Assistance Programs to develop access channels, boat ramps, public marinas, fishing piers, boardwalks, waterfront parks, environmental enhancement and restoration projects, environmental education and boating safety; and other waterway improvement projects. The District installed and maintains over 2500 manatee signs, and publishes and distributes brochures concerning waterway activities.

The District also manages dredged materials under a long-range dredged material management program. This program is designed to provide a permanent infrastructure of management facilities for all maintenance material dredged from the 398 miles of the Intracoastal Waterway in Florida, and for 15 miles of the Okeechobee Waterway from where the two waterbodies meet to the first navigation lock. Over the next 50 years, the District expects to perform maintenance dredging activities in the Intracoastal Waterway on 23 million cubic yards of sediment, and expects to receive 12 million cubic yards of beach quality sand to be used at 8 permanent beach placement areas.

The District is composed of Nassau, Dade, Broward, Palm Beach, Flagler, Martin, Brevard, Indian River, St. Lucie, St. Johns, Volusia and Duval counties, and has the power of eminent domain. The governing board is authorized to levy an ad valorem tax on its counties not to exceed one-tenth of 1 mill and the current millage rate is .0385. The District is governed by a governing board which consists of 1 member from each county appointed by the Governor for a 4-year term, and at this time, there are two vacancies on the board. In fiscal year 2004-2005, the District's estimated ad valorem revenues are a little over \$19 million and the annual budget, including a carryover from the previous fiscal year, is \$49.8 million.¹

Okeechobee Waterway

Lake Okeechobee is the largest of Florida's lakes and is the second largest freshwater lake in the continental United States. Lake Okeechobee covers 730 square miles, provides drinking water to more than 6 million people, and serves as an irrigation source for the agricultural industry in the Lake Okeechobee area. The Lake stretches from the Atlantic Ocean via the St. Lucie Canal, to the Gulf of Mexico via the Caloosahatchee River. The Okeechobee Waterway covers 152 miles and serves as a recreational and commercial link. The U.S. Army Corps of Engineers (USACE) manages 5 locks and 3 campgrounds along the waterway.

While the USACE is responsible for the maintenance dredging of the Okeechobee Waterway, it has been unable to remove shoals that impair navigation, especially during times of drought and low water conditions, due to the lack of a "local sponsor" to provide lands for the management of the dredged materials.

III. Effect of Proposed Changes:

Section 1. Amends s. 374.984, F.S., to expand the jurisdiction of the District to include a portion of the Okeechobee Waterway within Palm Beach and Martin counties. The navigation responsibilities of the District are extended an additional 52 miles through Lake Okeechobee to the western Palm Beach County boundary. Provides legislative recognition that the water level

¹ see <http://www.aicw.org>, Florida Inland Navigation District.

of Lake Okeechobee and the section of the Okeechobee Waterway within the lake are subject to natural weather cycles, and that lake management strategies may adversely affect navigation. Provides the District with an exemption from taking any actions to restore navigation when lake levels are less than 12.56 feet National Geodetic Vertical Datum.

Section 2. Provides that the act shall take effect July 1, 2005.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The District estimates that inadequate maintenance of waterways in Martin and Palm Beach counties could result in revenue losses of \$510 million to local businesses. Also, the District estimates that the ability to traverse the Okeechobee Waterway saves users approximately \$456,000 per year in transportation costs.

C. Government Sector Impact:

The District expects to spend \$5 million in each of the next two fiscal years for land acquisition, and estimates infrastructure development at \$8 million over a 10-year period from 2010-2020. The federal government is expected to contribute 50 percent of the cost.

The District also estimates the following expenditures during each of the next 2 fiscal years which will be offset by current ad valorem revenues:

| | |
|-----------------------------------|-----------|
| Administration expenses | \$ 10,000 |
| Dredged Material Management Study | \$120,000 |

VI. Technical Deficiencies:

The phrase "and that portion of the Okeechobee Waterway located in Martin and Palm Beach Counties" is being added in several locations referencing congressional authorization for services and activities in the Intracoastal Waterway. Although the Okeechobee Waterway is part of the "Florida Intracoastal Waterway" under s. 327.02(10), F.S., it is an independent federally designated project is and not part of the federally designated Intracoastal Waterway..

VII. Related Issues:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

VIII. Summary of Amendments:

None.

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