The Florida Senate

BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Community Affairs Committee

BILL:	CS/SB 182
INTRODUCER:	Community Affairs Committee, Senator Garcia, and others
SUBJECT:	Miami-Dade County Lake Belt Mitigation Plan
DATE:	October 17, 2011 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Wolfgang	Yeatman	CA	**Fav/CS**
2.	Uchino	Yeatman	EP	**Pre-meeting**
3.			BC	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE.....	X	Statement of Substantial Changes
B. AMENDMENTS.....		Technical amendments were recommended
		Amendments were recommended
		Significant amendments were recommended

I. Summary:

This committee substitute (CS) shifts from Miami-Dade County, for a limited time, existing revenue of the Lake Belt water treatment upgrade fee to the South Florida Water Management District to fund a seepage control project.

This CS substantially amends section 373.41492 of the Florida Statutes.

II. Present Situation:

Mitigation for Mining Activities Within the Miami-Dade County Lake Belt

The Miami-Dade County Lake Belt Area encompasses 77.5 square miles of environmentally sensitive land at the western edge of the Miami-Dade County urban area. The wetlands and lakes of the Lake Belt offer the potential to buffer the Everglades from the potentially adverse impacts of urban development.[1] The Northwest Wellfield, located at the eastern edge of the Lake Belt, is

[1] SOUTH FLORIDA WATER MANAGEMENT DISTRICT, MIAMI DADE, http://my.sfwmd.gov/portal/page/portal/xweb%20about%20us/miami%20dade%20service%20center (last visited Sept. 23, 2011).

the largest drinking water wellfield in Florida and supplies approximately 40 percent of the potable water for Miami-Dade County.

Construction aggregates provide the basic materials needed for concrete, asphalt, and road base. Aggregate materials are located in various natural deposits around the state. Geologic conditions and other issues affect decisions in mine planning. These issues include the quality of the rock, thickness of overburden, water table levels, and sinkhole conditions. Rock mined from the Lake Belt supplies one half of the limestone used annually in Florida. Approximately 50 percent of the land within the Lake Belt Area is owned by the mining industry, 25 percent is owned by government agencies, and the remaining 25 percent is owned by non-mining private landowners.[2]

The Florida Legislature recognized the importance of the Lake Belt Area to the citizens of Florida and mandated that a plan be prepared to address a number of concerns critical to the State in s. 373.4139, F.S. The Legislature established the Lake Belt Committee and assigned it the task of developing a long-term plan for the Lake Belt Area. Through a cooperative process involving government agencies, mining interests, non-mining interests, and environmental groups, the Lake Belt Committee completed the Miami-Dade County Lake Belt Plan.

Limestone operations in the Lake Belt are guided by the Lake Belt Mitigation Plan. Under the plan, the Lake Belt limestone companies pay a special mitigation fee to acquire, restore and preserve environmentally sensitive lands and fund other important environmental projects. The fee is collected from the mining industry by the Department of Revenue and transferred to the District's Lake Belt Mitigation Trust Fund. The Lake Belt limestone companies also pay a water treatment plant upgrade fee of 15 cents per ton. According to the Department of Environmental Protection (department), this fee was established to address the concern that the expansion of mining may cause the wellfield to be designated as "under the influence of surface water," which would mandate upgraded treatment. To date, this designation has not been made by the department, and water quality sampling and studies conducted indicate that such a designation is unlikely.[3] Limestone operations in the Lake Belt require water quality certification from the state and a dredge and fill permit from the U.S. Army Corps of Engineers.

In 2008, Miami-Dade County retained an engineering consultant to plan and design the needed water treatment facilities. The consultant determined that previous estimates for such facilities failed to account for upgrades that would be needed to existing water plant facilities such that constructing the needed facilities would not be practical at the existing water plant site. The minimum design and construction cost for facilities that will meet the current surface water treatment costs is approximately $350 million. Future bond funding, in addition to the rock mining fees, is identified in the County's capital plan for this project. To date Miami-Dade County has received approximately $17.6 million in rock mining fees. About $11.2 million has been spent on planning and design, and about $6.3 million remains, of which $3 million is committed to the current design contract.[4]

[2] *Id.*
[3] Department of Environmental Protection, Draft Bill Analysis for SB 514 (2011), on record with the Senate Committee on Community Affairs.
[4] Email from Miami Dade Water and Sewer Department, on file with the Senate Committee on Community Affairs.

Two seepage control projects are identified in the recent Environmental Impact Statement for mining in the Lake Belt. One is required by the recent state and federal mining permits and the other, while not required, is an important wetland enhancement project for Everglades National Park.

A new one-mile long bridge is under construction that will allow a broad flow section into the Park in an area that has not seen comparable sheet flow since the trail was constructed almost 100 years ago. Unless the groundwater seepage from the Park is controlled, releasing additional flow to the Park will not be possible, and the benefits of the bridge will not be realized.

The Environmental Protection Agency's (EPA) Long Term 2 Enhanced Surface Water Treatment Rule

EPA has developed the Long Term 2 Enhanced Surface Water Treatment Rule (LT2 rule) to improve drinking water quality and provide additional protection from disease-causing microorganisms and contaminants that can form during drinking water treatment. The purpose of the LT2 rule is to reduce disease incidence associated with *Cryptosporidium* and other pathogenic microorganisms in drinking water.[5] The rule applies to all public water systems that use surface water or ground water that is under the direct influence of surface water. The rule bolsters existing regulations:

- Targeting additional *Cryptosporidium* treatment requirements to higher risk systems;
- Requiring provisions to reduce risks from uncovered finished water storage facilities; and
- Providing provisions to ensure that systems maintain microbial protection as they take steps to reduce the formation of disinfection byproducts.

This combination of steps, together with the existing regulations, is designed to provide protection from microbial pathogens while simultaneously minimizing health risks to the population from disinfection byproducts. "Bin classifications" indicate the concentration of pathogens in the water sample.[6]

III. Effect of Proposed Changes:

Section 1 amends s. 373.41492, F.S., to allow the mitigation fees for limerock mining to be applied to seepage mitigation projects, including groundwater and surface water management structures designed to improve wetland habitat and approved by the Lake Belt Mitigation Committee. This would be an explicit authorization to use the funds for more than just upgrading water treatment plants.

The CS clarifies existing law that "proceeds of a fee" means all funds collected and received by the Department of Revenue under s. 373.41492, F.S., including interest and penalties on delinquent fees. The amount deducted for administrative costs may not exceed 3 percent of the total revenues and may equal only those administrative costs reasonably attributable to the fees.

[5] U.S. ENVIRONMENTAL PROTECTION AGENCY, WATER: LONG TERM 2 ENHANCED SURFACE WATER TREATMENT RULE, http://water.epa.gov/lawsregs/rulesregs/sdwa/lt2/basicinformation.cfm (last visited Sept. 26, 2011).
[6] 40 CFR § 141.710; U.S. ENVIRONMENTAL PROTECTION AGENCY, SOURCE WATER MONITORING GUIDANCE MANUAL FOR PUBLIC WATER SYSTEMS, 49 (Feb. 2006) *available at* http://www.epa.gov/ogwdw/disinfection/lt2/pdfs/guide_lt2_swmonitoringguidance.pdf.

Beginning July 1, 2012, the proceeds of the water treatment plant upgrade fee will be deposited into the Lake Belt Mitigation Trust Fund until:

- $20 million is placed in the trust fund, or
- pathogen sampling demonstrates that the water in any quarry lake in the vicinity of the Northwest Wellfield would be classified as being in Bin 2 or higher.

Once either of these qualifications is triggered, the proceeds would again be directed toward a water treatment plant that treats water coming from the Northwest Wellfield. The CS changes the allowed uses of the mitigation fee to require approval by the Miami-Dade County Lake Belt Mitigation Committee rather than simply requiring them to be used in a manner consistent with the recommendations submitted to the Legislature under s. 337.4149, F.S. The CS allows modifications of the hydrology in the Everglades watershed in addition to the Miami-Dade Lake Belt Area.

Proceeds from the Lake Belt Mitigation Trust Fund shall be used to pay for seepage mitigation projects, including groundwater or surface water management structures designed to improve wetland habitat and approved by the Lake Belt Mitigation Committee.

Proceeds from a trust fund established by Miami-Dade County shall be used to upgrade a water treatment plant that treats water coming from the Northwest Wellfield.

Section 2 provides that the bill shall take effect upon becoming law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

See government sector impact section.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The CS temporarily diverts rock mining fees away from drinking water treatment facilities. Even though the diversion is for a limited time, it may adversely impact Miami-Dade County's ability to design and construct the additional treatment facilities needed to protect the drinking water supply in the area. Miami-Dade is concerned that if contamination occurs and no filtration is available, the drinking water for one million people will be unsafe to drink for at least 18 months and up to three years while the facility is constructed. This fee is 15 cents per ton of extracted limerock and sand that is subject to the fee. The South Florida WMD will receive the proceeds of the fee to deposit into the appropriate trust fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Community Affairs on October 4, 2011:
The CS is largely the same as the original bill, except:

- The CS changes the allowed uses of the mitigation fee to require approval by the Miami-Dade County Lake Belt Mitigation Committee rather than simply requiring them to be used in a manner consistent with the recommendations submitted to the Legislature under s. 337.4149, F.S.
- The CS allows modifications of the hydrology in the Everglades watershed in addition to the Miami-Dade Lake Belt Area.

B. Amendments:

None.