

American Water Works Association

**AWWA**  **FLORIDA**  
Florida's Water Professionals



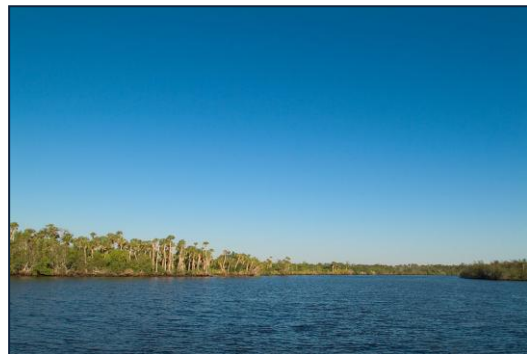
## ***Legislative Policies for 2011***

The Florida Section of the American Water Works Association Utility Council (Utility Council) is comprised of over 90 member utilities providing drinking water to approximately 9 million Florida residents. Our membership is comprised of scientific, technical, and educational water utility professionals dedicated to improving the quality and supply of drinking water. The Utility Council recognizes the importance of protecting and ensuring the viability and sustainability of Florida’s water resources and has developed the following legislative policies for 2011. The following prioritized policies include provisions that address the development of effective and sustainable water management strategies.

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### **Resource Protection and Sustainability**

As solutions to the water supply issues in Florida are evaluated and developed, water resource management must identify opportunities to integrate key components and optimal solutions that minimize cost and maximize the protection, reliability and sustainability of the water supply and the environment.



- The Utility Council **supports**:
  - Coordinated implementation of traditional water supply, alternative water supply, and water quality programs to promote consistent integrated policies among regulatory agencies.

- The ability to integrate multiple water source types into public utility potable water supply systems through the issuance of a single “Sustainable Use” permit that affords operational flexibility.
- Assurance of safe, reliable water supplies at reasonable cost to customers through the protection of drinking water sources from contamination through federal, state, and local programs.
- Purchase or controlled use of lands by the State of Florida and/or water management districts within catchment areas of surface and ground water sources to ensure the safety and reliability of those sources.
- Utility and local government ability to utilize mitigation of impacts to sustain and maintain currently developed water resources.

### **Alternative Water Supply Development**



Use limitations placed on otherwise available water supplies in Florida necessitate the development of alternative available water supply sources such as reclaimed water, non-traditional surface waters and groundwaters, and sea water. The development of alternative water supplies benefits the environment as well as the agriculture industry and increases the amount and sustainability of water available for public consumption. Because there is an increasing need for local governments and other stakeholders to work together on a regional basis, programs and provisions for financial and regulatory incentives are essential.

- The Utility Council **supports**:
  - Inclusion of projects that provide additional storage capacity of surface water flows to ensure sustainability of public water supplies in the list of factors to be given significant weight by water management district governing boards when making decisions regarding financial assistance for alternative water supply project.
  - Programs that create partnerships with water management districts and other stakeholders to maximize the storage, retention and use of surface water that is in excess of environmental needs for public water supply or agricultural purposes.
  - Development and implementation of a wide range of financial and regulatory incentives by the Florida Department of Environmental Protection and water management districts.
  - Development and application of innovative business models that recognize regional differences and foster collaboration on regional projects by local governments, stakeholders, and all water management districts.
  - Development and implementation of programs that align the quality of water with usage to ensure the sustainability of the highest quality water for human consumption by the Florida Department of Environmental Protection and water management districts.

## Water Conservation

Water Conservation is an important tool to sustain Florida's water resources while balancing water needs and minimizing environmental impacts. The Utility Council supports appropriate water conservation practices for all water users in Florida, including public supply. Water conservation is an important tool to ensure that Florida achieves its water needs while minimizing environmental impacts.



Different parts of Florida present different water resource and economic challenges; however, the state could more effectively address these challenges with an effective, overarching state water conservation policy. An effective state water conservation policy will help ensure that water resources are available to support Florida's economic growth in all sectors.

- The Utility Council **supports:**
  - Through cooperative agreement of the Florida Department of Environmental Protection, the water management districts and water utilities, a process should be established for setting measurable and defined water conservation goals based on uniform metrics and taking regional, socio-economic, and resource variations into account. Such variations include transient and seasonal populations, soil and climate variability, and development densities. A water utility that meets its applicable goal achieves reasonable beneficial demand.
  - Incentivizing water conservation practices for progressive utilities that use less water than the applicable water conservation goal. Water conservation policy should recognize existing programs and achievements that public utilities have already implemented within their service area. If a utility uses less water than an established goal, the consumptive use permit for the utility should be extended to reflect the additional conservation.
  - Water conservation policy that appropriately regulates self-supply wells for domestic use and irrigation based on water supply constraints and ensures that self-supply entities are treated consistently with customers connected to public water supply systems.
  - Water conservation policy that recognizes that reclaimed water systems reuse water that has already been removed from the environment, and that the use of reclaimed water should be encouraged where appropriate and where its use offsets or minimizes additional withdrawals.
  - Water conservation policy that requires water conservation programs to be economically, technically, and environmentally feasible in order to be implemented.
  - Water conservation policy that balances water conservation goals with water quality impacts resulting from demand reductions.
  - Dedicated and permanent funding from the State of Florida for the Water Conservation Clearinghouse, which supports an effective and cost efficient Conserve Florida Program.
  - Existing state water conservation policy that grants water utilities wide latitude in designing their rate structures, because a water utility must design and structure its rates

to accomplish dual goals of meeting financial requirements and promoting water conservation while taking into consideration the composition and use characteristics of its customer base.

### **Numeric Nutrient Criteria**

The State of Florida's response to the U.S. Environmental Protection Agency's imposition of federal numeric nutrient criteria will greatly shape the future of water quality policy in Florida and throughout the nation. As the statewide umbrella organization for Florida's public water supply utilities, the Utility Council is committed to representing the interests of Florida's public water supply utilities and the communities they serve on this critical regulatory issue.

- The Utility Council is **committed:**
  - To working with the U.S. Environmental Protection Agency, Florida Department of Environmental Protection, water management districts, Florida Water Environment Association Utility Council, and Florida Rural Water Association to:
    - Ensure that nutrient criteria are scientifically defensible;
    - Ensure that needed nutrient reductions are tailored to the water body as currently happens under Florida's existing narrative standard;
    - Ensure that any changes to nutrient water quality programs do not undermine state and regional water supply programs;
    - Develop reasonable implementation plans and schedules to meet the adopted criteria, including the use of existing Total Maximum Daily Load's; and
    - Continue implementing and improving Florida's progressive water quality standards programs.
- The Utility Council **supports:**
  - Science-based and peer reviewed nutrient criteria that protect state water resources and ecosystems and protects utility ratepayers from the economic burdens of unsound regulatory policy.

### **Reclaimed Water**



Beneficial and efficient use of reclaimed water is a critical and valuable alternative water source that offsets traditional water source withdrawals, creates water resource sustainability, and is an essential component of many of Florida's water supplies. Reclaimed water can be utilized for: irrigation; urban wetlands development, restoration and/or enhancement; ground water recharge; salt water intrusion protection; augmentation of surface

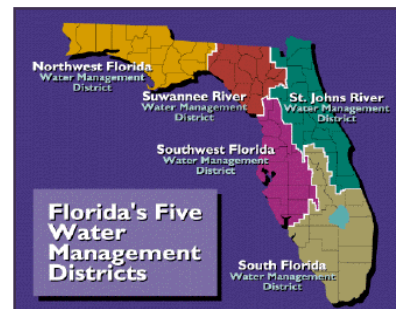
waters; the elimination of the need for nutrient supplementation; and industrial purposes. The use of reclaimed water must afford flexibility and maintain consideration of the reclaimed water as a key function of water reclamation facilities and cannot alter effluent discharge rate and timing.

- The Utility Council **supports:**

- Ongoing collaborative statewide effort among Florida Department of Environmental Protection, water management districts, utilities and stakeholders to develop consensus based reclaimed water policies and programs.
- Establishment of peer reviewed science-based nutrient criteria which include flexible implementation and best management plans that protect the optimization of beneficial and efficient use of reclaimed water, state water ecosystems and utility ratepayers from the economic burdens of unsound regulatory policy.
- Flexibility to establish mandatory reuse zones and to give the use of reclaimed water priority within these zones.
- Regulatory incentives, including offset credits, which encourage utilities to invest in reclaimed water system development and expansion.
- Regulatory programs that recognize and support the environmental benefits of using reclaimed water and facilitate the multiples uses of reclaimed water such as agricultural, industrial, commercial, and residential, as an alternative water source.
- Utility control of the beneficial and efficient reuse of reclaimed water to ensure unique all local considerations are addressed.
- Reclaimed water management practices that include system planning, development, usage, rates, and other related activities remain under sole jurisdiction of the utility as permitted by the Florida Department of Environmental Protection.
- A statutory requirement that water management districts and the Florida Department of Environment Protection provide financial and regulatory incentives for utilities that effectively and efficiently manage the use of reclaimed water as part of alternative water supply development and demand management activities.
- Utilities and local governments maintaining the authority to set reclaimed water rates.

## **Water Management Districts**

Coordination, collaboration and integration of water resources and water supplies is paramount to meet the public drinking water, environmental and economic needs of Florida through partnerships between water management districts, public utilities and other stakeholders. Water management districts are charged with the responsibility for water resource development.



- The Utility Council **supports:**
  - Creation of a task force to conduct a two-year study of the water management district's responsibility specifically relating to water supply including policy, planning, permitting, production, and funding to ensure adequate and sustainable supplies of potable water of all potable water needs.
  - Evaluation and streamlining of the structure of water management districts with a goal to become more consistent and balanced across the state.
  - Creation of a dedicated and permanent revenue funding source for water resource development projects including surface water reservoirs and Aquifer Storage and Recovery projects.
  - Water management district focus on their fundamental mission elements to provide sustainability for surface water and natural resource protection, flood protection, water supply development and protection, and water quality protection.
  - Development and application of consistent rules, policies, and technical criteria across water management districts where similarities in issues or regional circumstances exist, specifically in the areas of: Consumptive or Water Use Permits; Alternative Water Supply Funding; Water Shortages; Water Conservation; and Water Reservations.
  - Change in current law to require each water management district Board to include a public water utility executive as a member of the Board.
  - Strengthening and enhancement of partnerships, water supply planning and development among water management districts, the Florida Department of Environmental Protection, utilities and local governments to resolve issues with rules, regulations and/or policies to achieve a more cohesive statewide water plan and improved implementation.

## **Water Reservation**

A water reservation is a legal mechanism to set aside water for the protection of fish and wildlife or public health and safety, authorized by Section 373.223 (4) FS. A water reservation rule is developed following a series of public workshops, and extensive scientific peer review of a series of drafts. Once a rule is adopted, it is then implemented through a water management district's consumptive use permitting and water supply planning program. Such reservations shall be subject to periodic review and revision in the light of changed conditions. However, all presently existing legal uses of water, including public water supply, shall be protected so long as such use is not contrary to the public interest.



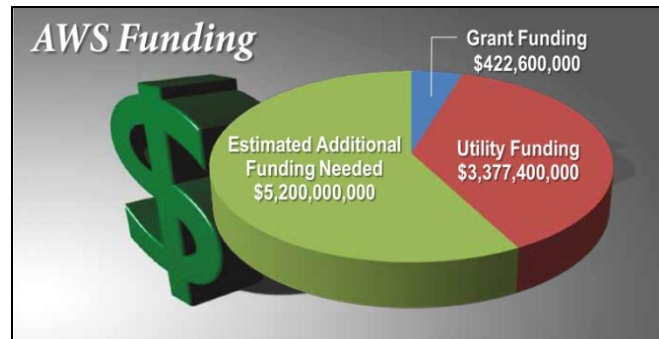
- The Utility Council **supports:**
  - Water supply development and environmental restoration that takes place concurrently and expeditiously to safeguard public health, safety, and the environment in the establishment of water reservations.



- Subjecting the establishment of water reservations to the same procedural safeguards that exist for the establishment of Minimum Flows and Levels to ensure the scientific integrity of the reservation.
- All affected water users and uses must equally share in the responsibility and management of declared water shortages.

### **Alternative Water Supply Funding**

The cost of alternative water source development is greater than the cost to develop traditional water supply sources. Public acceptance of these more costly alternatives may depend on how the increased costs can be distributed among all water consumers. Funding has been provided for over 344 alternative water supply projects. However, according to the Florida Department of Environmental Protection Agency's "Annual Report of Regional Water Supply Planning (March 2010)", an additional 2.0 billion gallons of water a day is needed to meet Florida's future demands by 2025. Therefore, funding assistance from the State of Florida and water management districts is essential to provide start-up capital to offset the substantial construction costs of alternative water supply projects.



- The Utility Council **supports:**

- Dedicated and sustained state grant programs that include sufficient funding for all water utilities to research and develop cost effective alternative water supplies.
- Dedicated and permanent funding from the State of Florida and water management districts for alternative water supply development projects identified by the regional water supply plans.
- Equitable distribution of funds for all types of cost effective alternative water supply projects and demand management methods that effectively address regional and local needs, regardless of the size of the utility.
- Fifty percent maximum local matching fund requirement for any alternative water supply grant funding.
- Stronger coordination of water supply planning between the Florida Department of Environmental Protection, water management districts and all water utilities when establishing funding priorities.
- Stronger coordination with Florida's Congressional Delegation to leverage more federal water and reclaimed water infrastructure funding.
- Alternative water supply funding for programs that demonstrate water savings using water conservation or demand management.





## **Water Rates and Rate Structure**

Florida has a long statutory history as identified in Section 373.227(3) FS, which affords local governments and utilities the right to develop and establish water rates. To remain accountable to their rate payers, local governments and utilities must retain the sole authority and flexibility regarding water rates and rate structures.

- The Utility Council **supports:**
  - Current state water law that recognizes that local governments and utilities have the sole responsibility and right to establish rates and rate structures for all of their services.
  - Local governments and utilities having flexibility to set water rates and rate structures to meet the unique needs and characteristics of the utility systems and customer base.
  - Local governments and utilities maintain oversight of utility rates.

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