



Florida's Water Challenge

**Joint Meeting of the
Treasure Coast and South Florida
Regional Planning Councils**

**By
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Florida Water Advocates**



Florida Faces A Daunting Challenge

- **\$16.5 Billion over next 20 years in drinking water infrastructure improvements.** (EPA Drinking Water Infrastructure Needs Survey and Assessment - Fifth Report to Congress Sept. 2015 & ASCE 2017)
- **\$18.4 Billion in wastewater infrastructure by 2020.** (ASCE: 2017)
- **\$2.8 billion dollars are needed by 2025 for capital improvements and long term maintenance programs to support flood control.** (Florida Stormwater Association, 2014 Stormwater Utilities Survey)
- **\$50.5 to \$149.8 million per year for Numeric Nutrient Criteria Rule compliance.** (FSA & FSU CEFA: 2/2012)

Florida Challenge (Continued)

- **\$11.3 Billion (\$4.4 B Fla. share) over next 20 years for implementation of the Comprehensive Everglades Restoration Plan (CERP).** (Task Force Working Document: Cross-Cut Budget 2017)
- **\$3 Trillion coastal infrastructure replacement value by 2030**
(Florida Oceans and Coastal Council / 2010 [DEP & FWC Co-chairs] & Climate Works Foundation / 2009)

48.71 Billion over the next 20 years (Excluding SLR)

Florida's Challenge

- **1,727 water segments currently impaired of which 50 are classified as Potable Water Supplies.** (DEP Comp-Verified

Impaired Waters List 8/1/18)

- **Blue Green Algae**
- **Red Tide**





\$3 Trillion at risk from SLR, including:

- \$130 Billion in coastal real estate**
- 3 nuclear power plants**
- 3 state prisons**
- 68 hospitals**
- 74 airports**
- 115 solid waste disposal sites**
- 140 water treatment facilities**
- 334 public schools**
- 341 haz-material cleanup sites**
- 1,025 houses of worship, and**
- 19,684 historic structures**

(Stanton and Ackerman, 2007).

Historic Sources of State Funding Support

(1) Water Management District Funding

- **Ad valorem; Grants for Water Supply, Dispersed Water Storage, Conservation and Water Quality.**

(2) Programmatic Funding

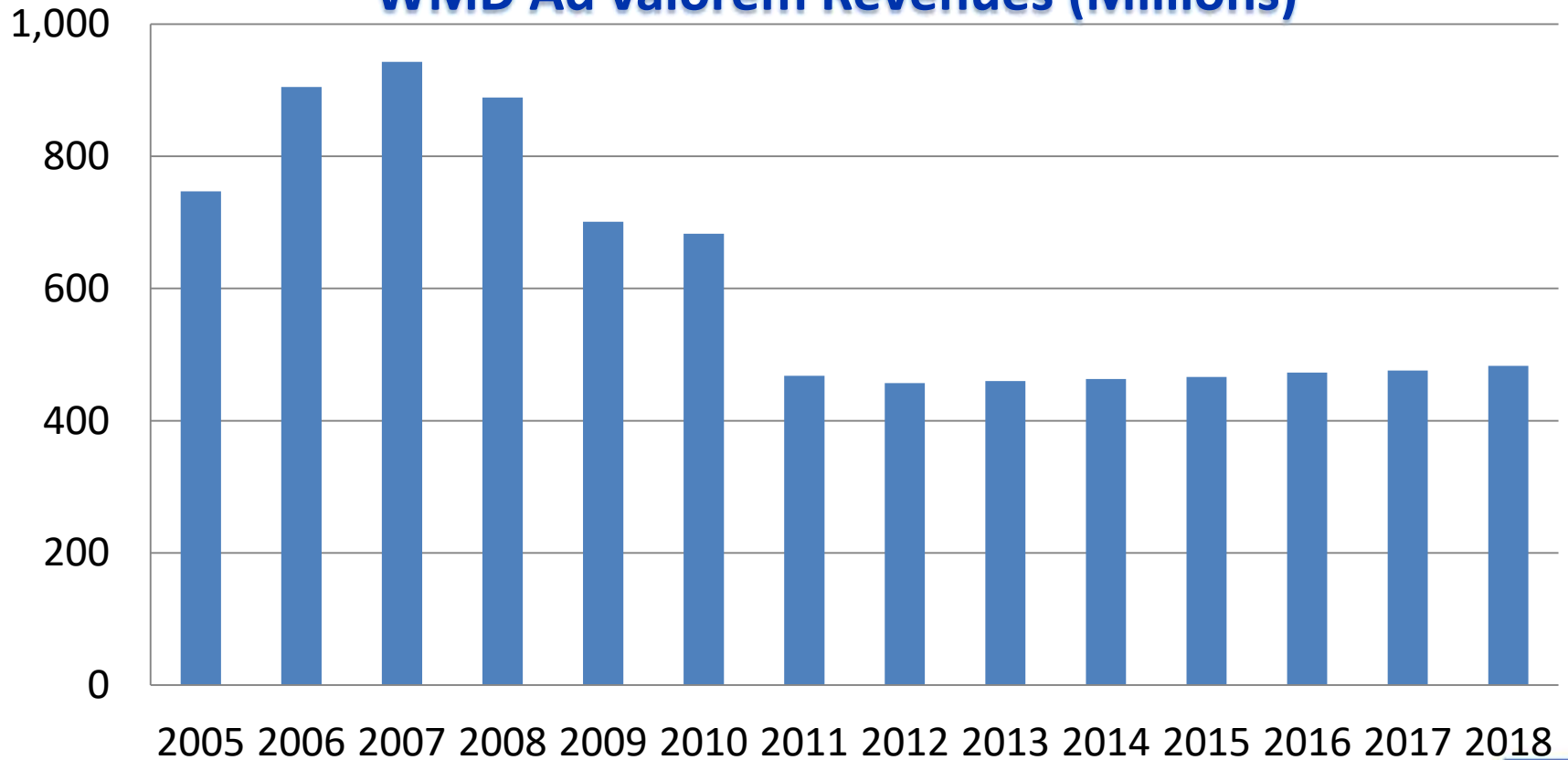
- **State Revolving Loans; Everglades; Springs**

(3) Member Water Projects

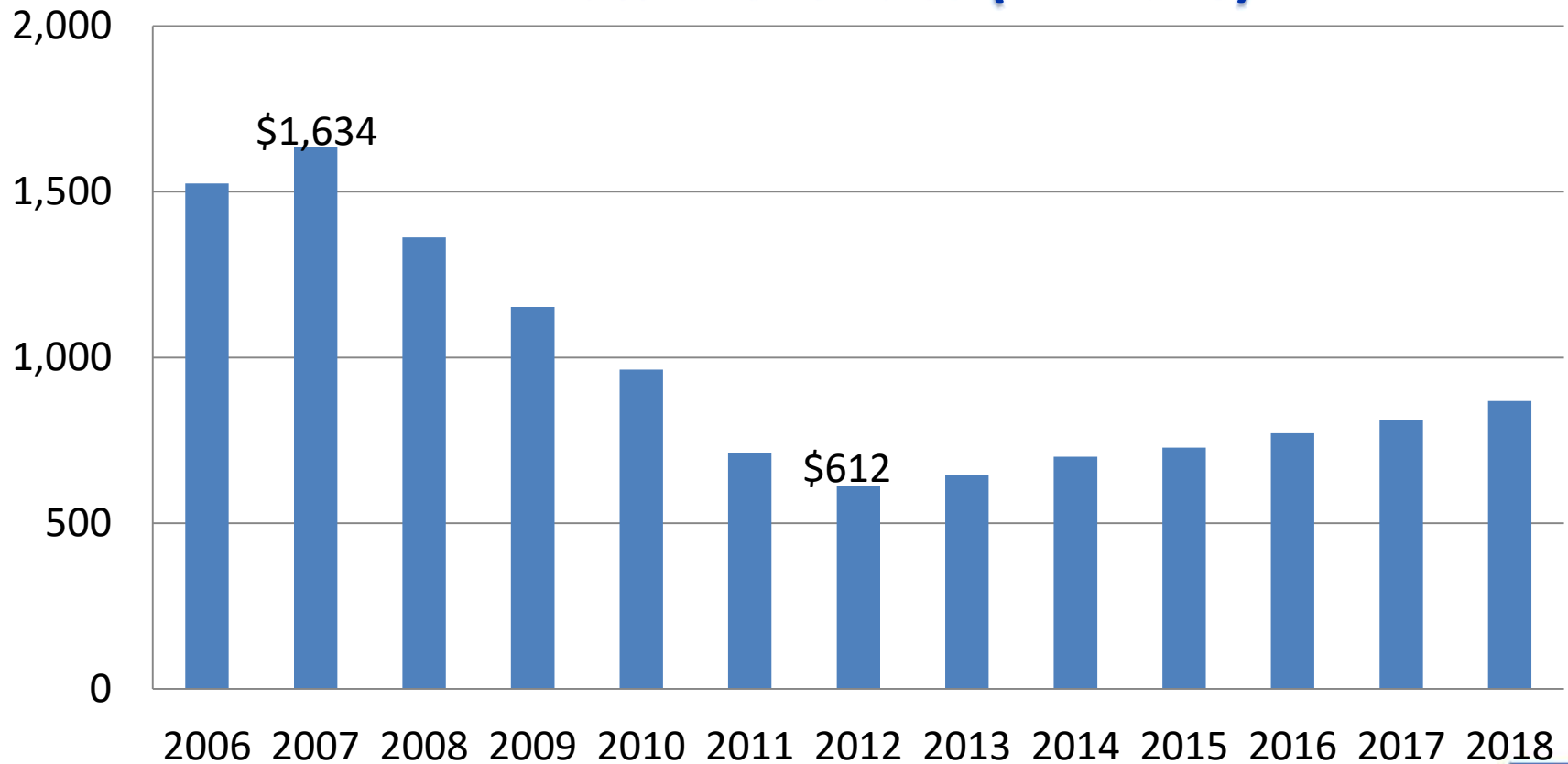
- **General Revenue**



WMD Ad valorem Revenues (Millions)



WMD Total Revenues (Millions)

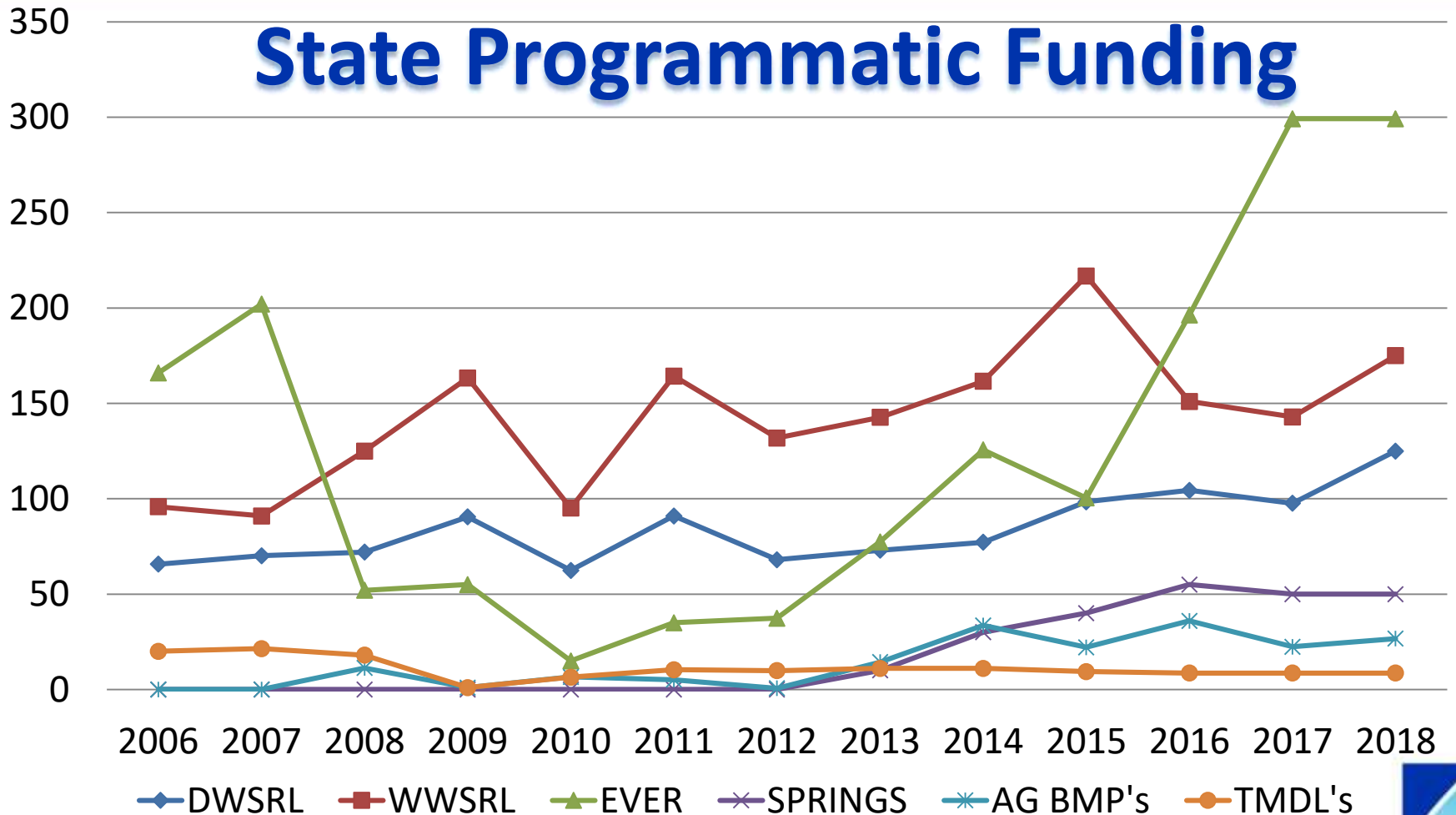


Impact of New Homestead Exemption

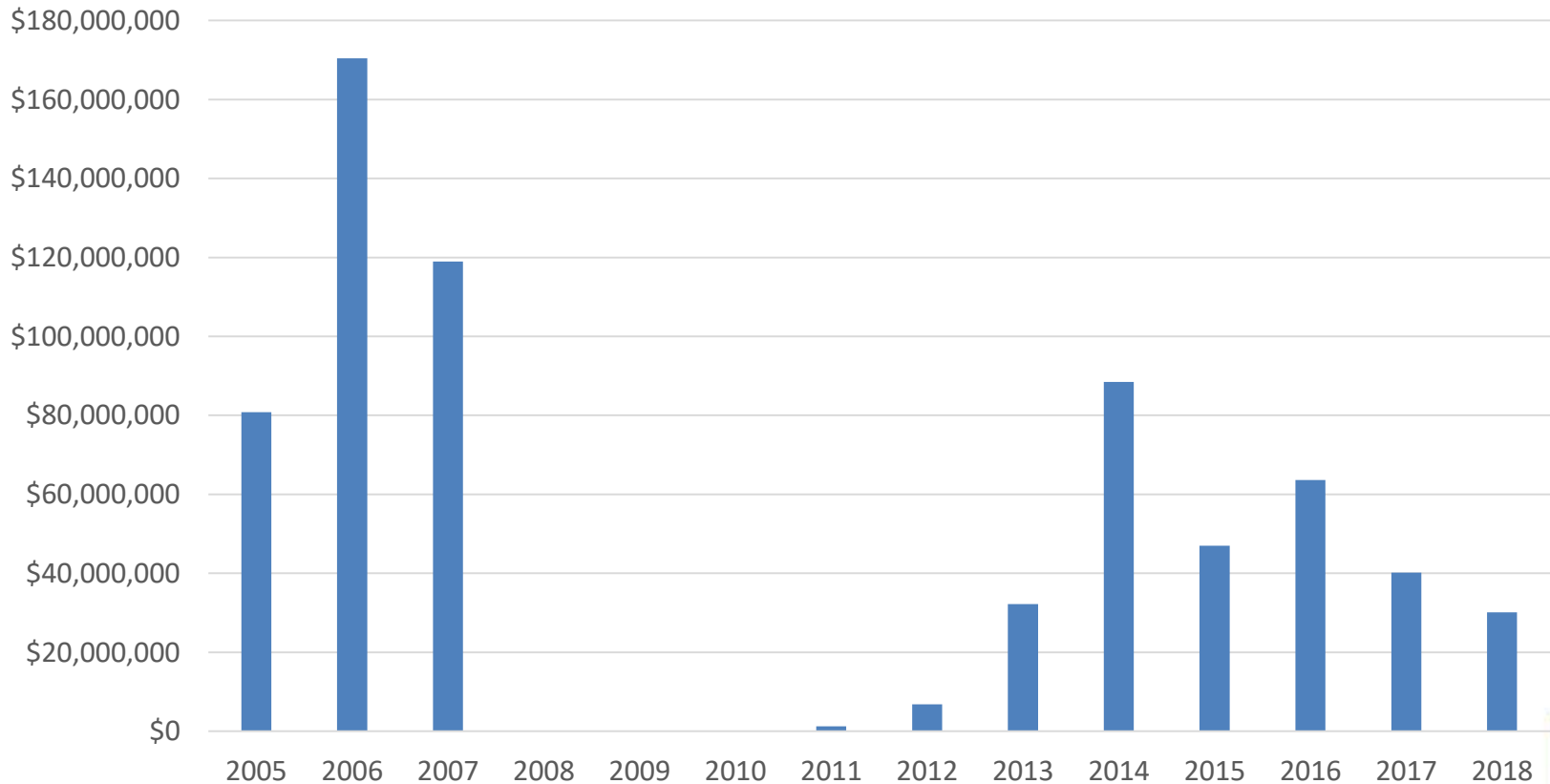
- Every person who qualifies.... is entitled to an additional exemption of up to \$25,000 on the assessed valuation greater than \$50,000 and up to an additional \$25,000 on the assessed valuation greater than \$100,000 for all levies other than school district levies.
- For the Water Management Districts the impact is estimated to be:

– Northwest Florida WMD	\$ 127,936
– Suwanee River WMD	\$ 189,914
– St. Johns River WMD	\$ 3,640,000
– Southwest Florida WMD	\$ 4,598,144
– South Florida WMD	<u>\$ 9,000,000</u>
	\$17,555,994

State Programmatic Funding



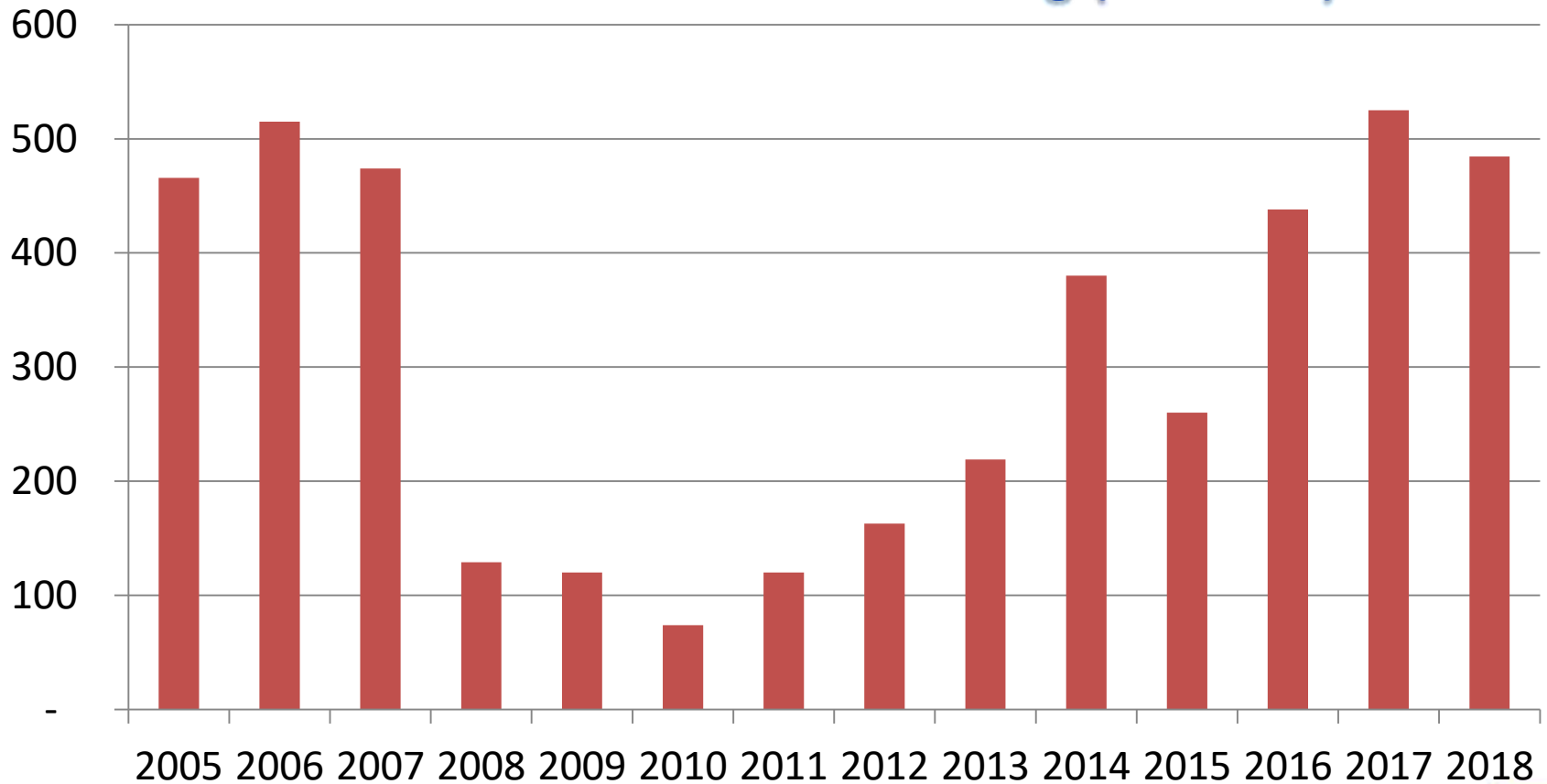
Member Water Project History FY 05/06 – FY 18/19



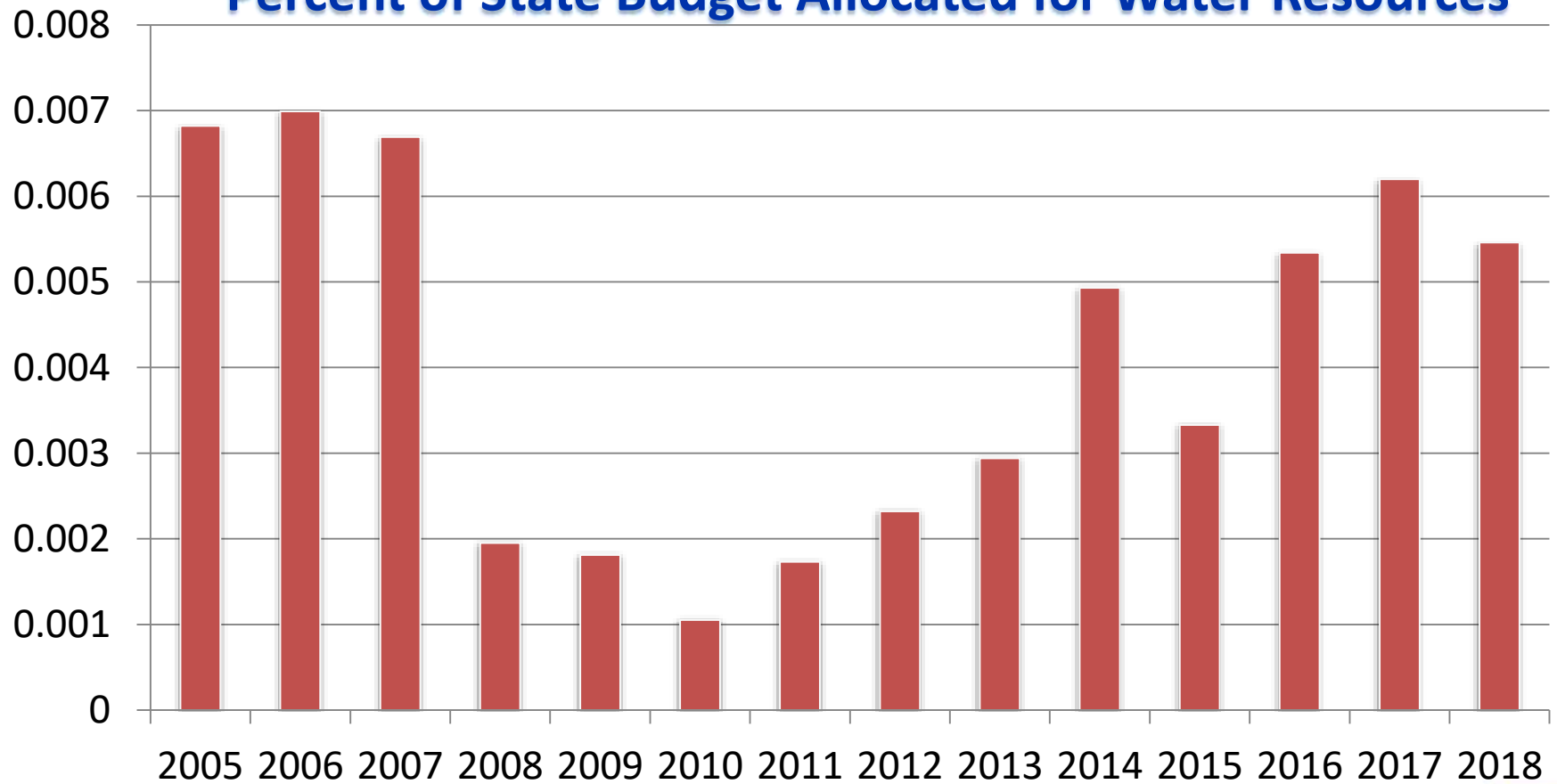
Member Water Project History FY 05/06 – FY 18/19

	<u>Average</u>	<u>FY 2018/19</u>
Amount	\$90,648,435	\$30,123,311
No. of Projects	136	51
<hr/>		
Vetoed Amount	\$22,792,583	None
% Vetoed	25%	0%
No. of Projects	37	0
% Vetoed	27%	0%

Florida Water Resource Funding (Millions)



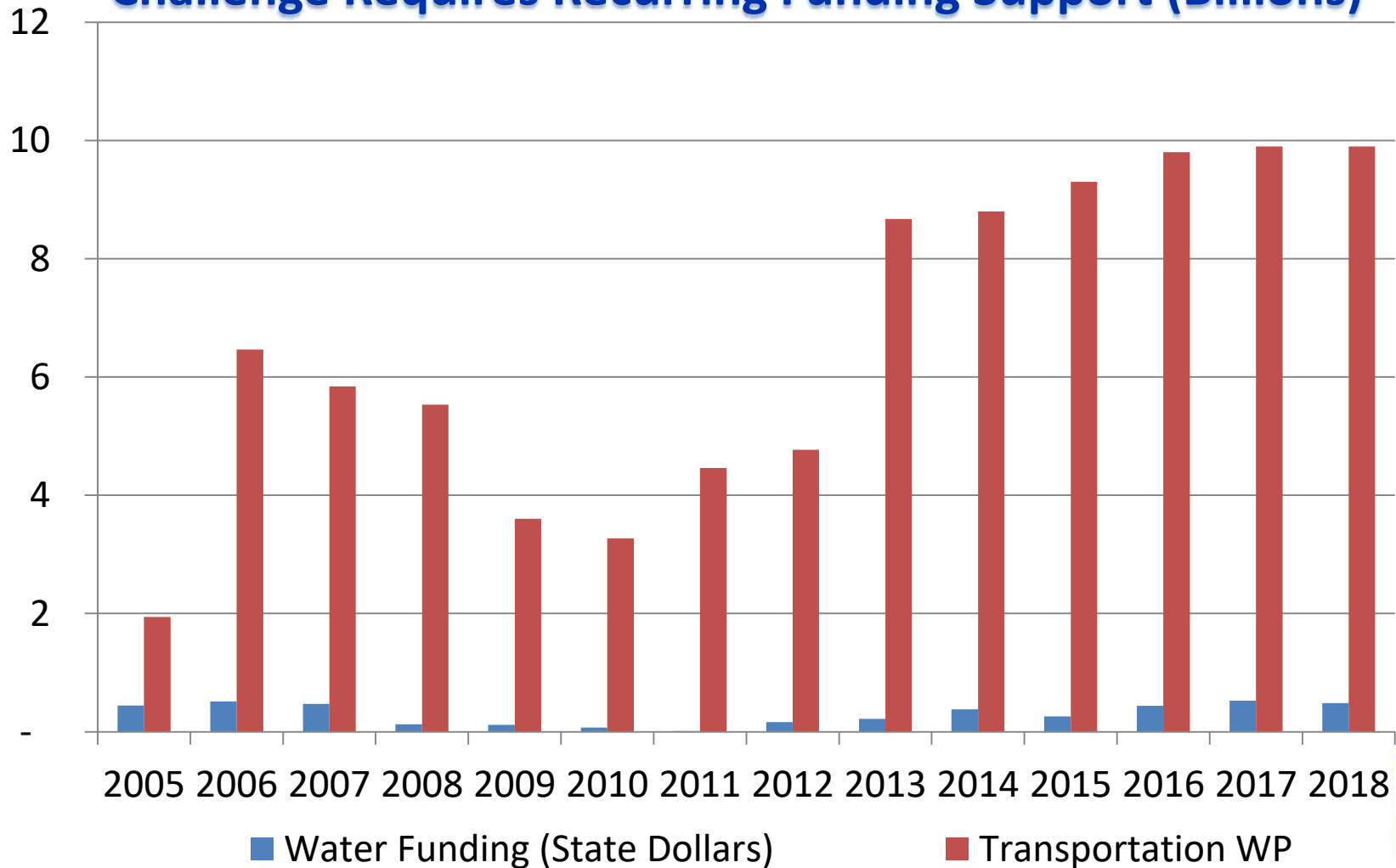
Percent of State Budget Allocated for Water Resources



- In FY 2006/07 the total State budget was \$73.6 Billion, the State spent \$515 million on water programs almost 7 tenths of 1% of the total state budget.
- In FY 2018/19 the total State budget will be \$88.7 Billion, the State spending on water programs will be \$485 million equal to just over 5 tenths of 1 %
- **So the total budget has increased by \$15.1 Billion, and the State spent 30 million less on water programs.**



Challenge Requires Recurring Funding Support (Billions)





Annual Assessment of Florida's Water
Resources and Conservation Lands

2018 Edition

2016: SB 552

403.928 Assessment of water resources and conservation lands.—The Office of Economic and Demographic Research shall conduct an annual assessment of Florida's water resources and conservation lands.

WATER RESOURCES.—The assessment must include:

- Historical and current expenditures and projections of future expenditures by all levels of governments associated with:
 1. Water supply and demand; and
 2. Water quality protection and restoration.
- Forecasts of federal, state, regional, and local government revenues dedicated for these purposes.
- The analysis and estimates of funds necessary to ensure that sufficient water will be available for all existing and future reasonable-beneficial uses and the natural systems.
- An identification of gaps between projected revenues and projected and estimated expenditures.

State “Water” Expenses included:

- Personnel and Operation for “Water” Programs
- Office of Water Policy
- Everglades Restoration
- Revolving Funds
- Springs Restoration
- Beach Restoration
- TMDL’s, BMP’s, Non-point Source Control
- Member Water Projects
- Petroleum Restoration
- Waste Clean-up



State Revenues included:

- Doc Stamp Revenues (Amend. 1: FY 2017-18)
- Fees and Licenses
- Fines, Penalties and Judgements
- Grants and Donations
- Pollutant Taxes and Fees
- Repayment of Loans
- Sales and Leases
- Severance Taxes



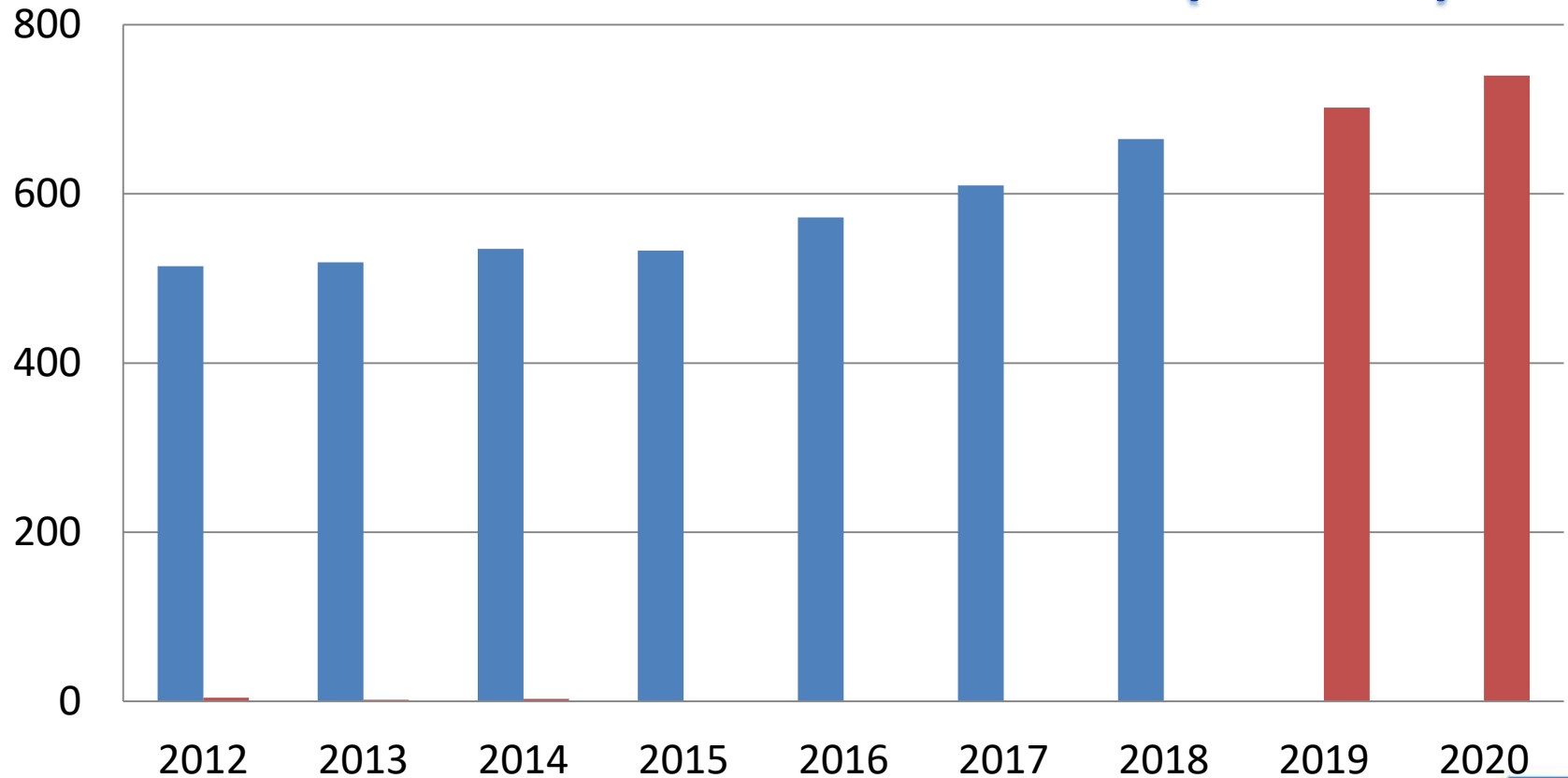
Table 4.4.1 Forecast of Potential Water Resource Revenues, Expenditure, and Gap (in Millions)

Revenues	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Non-Doc Stamp Revenues*	\$621.30	\$629.00	\$636.30	\$643.30	\$649.70	\$655.70	\$660.80	\$666.90	\$672.80	\$678.70
Doc Stamps Water-Related Statutory Distributions to LATF	\$254.75	\$292.98	\$300.95	\$309.06	\$319.00	\$319.00	\$319.00	\$319.00	\$319.00	\$314.00
Average Water-Related GR Funding	\$127.20	\$127.20	\$127.20	\$127.20	\$127.20	\$127.20	\$127.20	\$127.20	\$127.20	\$127.20
Total Potential Revenue Available	\$1,003.25	\$1,049.18	\$1,064.45	\$1,079.56	\$1,095.90	\$1,101.90	\$1,107.00	\$1,113.10	\$1,119.00	\$1,119.90
Expenditures										
Total Projected Water Resource Expenditures	\$977.21	\$1,127.29	\$1,148.86	\$1,161.96	\$1,177.68	\$1,193.87	\$1,208.10	\$1,222.58	\$1,222.70	\$1,236.47
Difference										
Gap (Revenues minus Expenditures)	\$26.04	(\$78.11)	(\$84.41)	(\$82.40)	(\$81.78)	(\$91.97)	(\$101.10)	(\$109.48)	(\$103.70)	(\$116.57)
Other Revenues Potentially Available to Close the Gap										
<i>LATF Doc Stamps Statutorily Uncommitted</i>	<i>\$408.24</i>	<i>\$402.94</i>	<i>\$426.86</i>	<i>\$451.17</i>	<i>\$496.06</i>	<i>\$540.70</i>	<i>\$594.70</i>	<i>\$628.78</i>	<i>\$686.20</i>	<i>\$746.69</i>

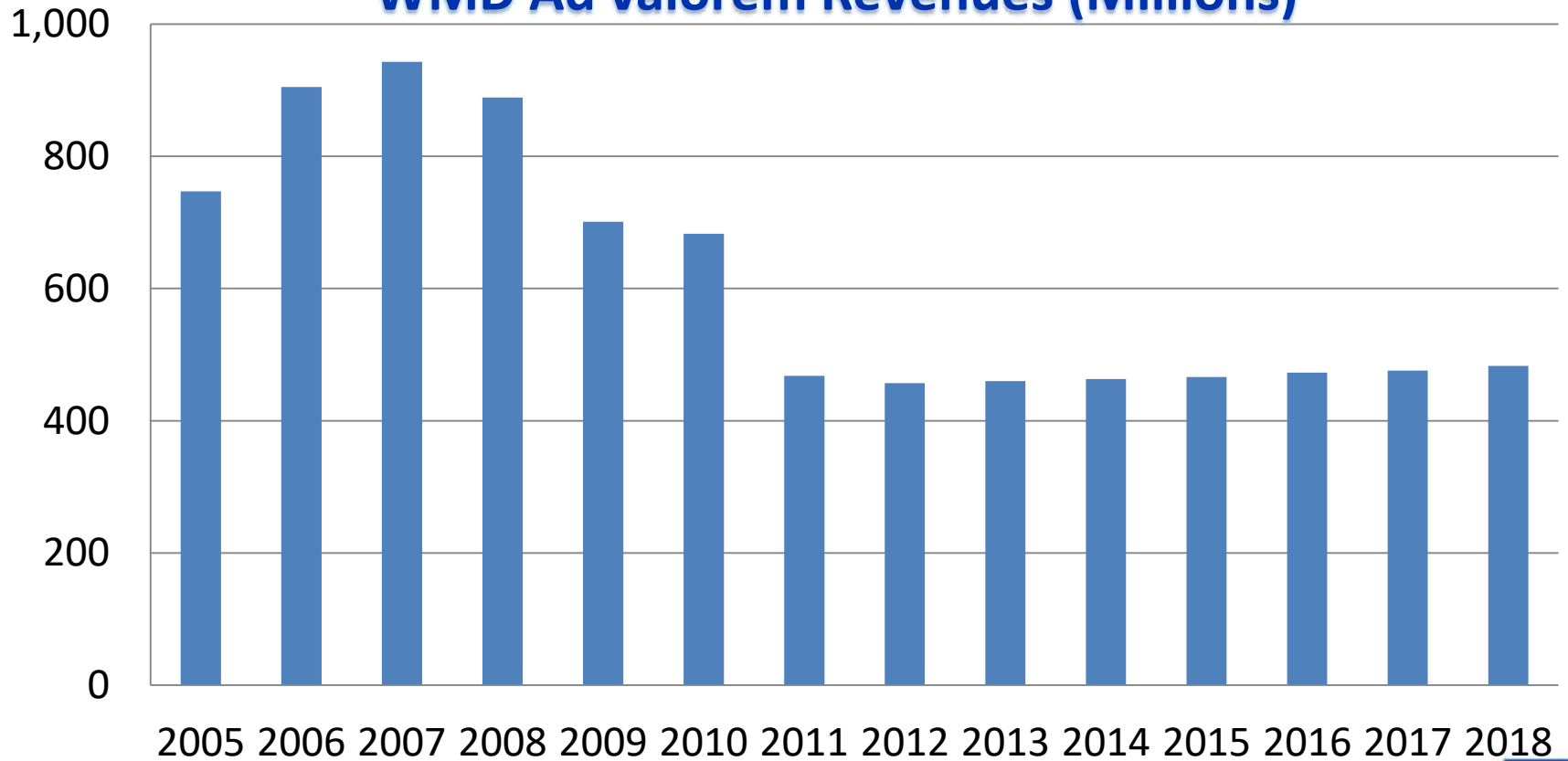
Expenditure Based Analysis Fails to Capture **NEED**

	<u>FY14-15</u>	<u>FY15-16</u>	<u>FY16-17</u>
<u>Springs Restor.</u>			
EDR Report	\$ 0.06	\$ 5.19	\$ 9.36
In GAA	\$ 30.00	\$ 39.93	\$ 55.00
<u>Everglades</u>			
EDR Report	\$ 54.56	\$115.77	\$140.37
In GAA	\$125.68	\$100.47	\$196.48

Future Total WMD Revenues (Millions)



WMD Ad valorem Revenues (Millions)



EDR Report Water Supply Projections

- Water supply demand expected to increase by 17% or 1,108.7 MGD by 2035.
- 1 in 10 yr drought increases the projected domestic water use projection by 7% and agricultural water demand by 44%.
- In 2015 65% of the states water supply demand was provided from groundwater.
- AWS will be needed satisfy future demand.... Report provides no cost estimates to meet demand.

Table 4.3.9 Water Supply Revenues Generated by Local Governments (in \$millions)

History	LFY 09-10	LFY 10-11	LFY 11-12	LFY 12-13	LFY 13-14
Counties	\$1.76	\$1.80	\$1.79	\$1.81	\$1.82
Municipalities	\$6.05	\$13.37	\$10.86	\$11.57	\$21.43
Special Districts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$7.81	\$15.17	\$12.65	\$13.38	\$23.26
Forecast	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Total	\$21.13	\$21.48	\$21.82	\$22.17	\$22.51

Source: Annual Financial Report data obtained from the Florida Department of Financial Services, Division of Accounting and Auditing, Bureau of Local Government Accounts 323.300 and a portion of 343.700 shared out by local government survey results.



Annual Assessment of Florida's Water
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“Based on the projected revenues from sources historically allocated to water resources, the recent levels of increases cannot be sustained into the future without supplementation....”