

# Recognizing & Protecting Good Water

Water & The Economy

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# Prologue

- The Basics on Water Policy
  - The easy questions are already answered
  - The free lunches have been handed out
  - The last 3% is more expensive than the first 97%
  - If someone has a cheap and easy solution, hold onto your wallet

# Overview

- Florida Focus
  - Economy
  - Politics
- Florida Water Policy
  - Case Study on the beneficial reuse of reclaimed water
    - The interplay between economics and water policy
  - What else of water and the economy

# Florida's Economic Climate

- Florida's seasonally adjusted unemployment rate in December 2010 was 12.0%.
  - This represents 1,108,000 jobless out of a labor force of 9,245,000...after a 6 month string of job gains (agency for workforce innovation)
  - 52 of 54 counties have double digit unemployment
- The Good News
  - Orlando gained over 11,000 jobs in 2010, leading the state
- The Bad News
  - Flagler and Hendry Counties have the highest unemployment rates in Florida: 15.7%
  - Hernando, St. Lucie, and Marion Counties have unemployment rates above 13.5%
- November 2010 elections reflected the economy

# Florida Political Climate

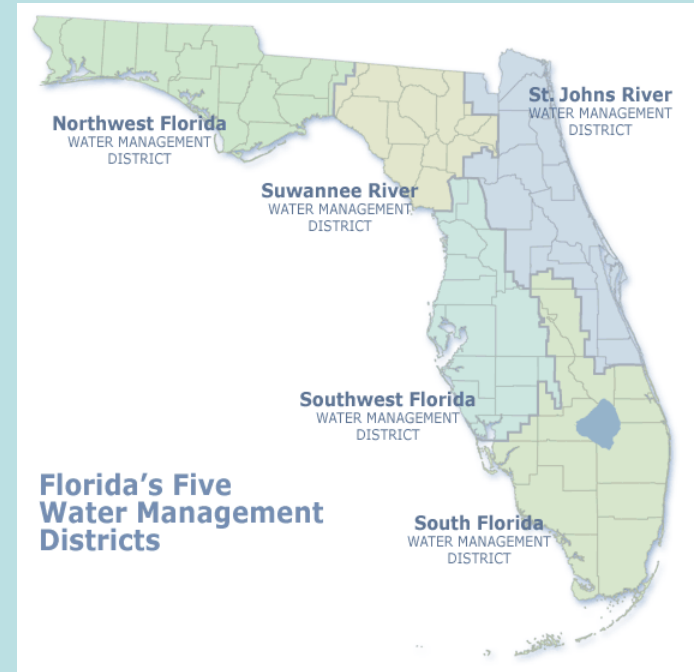


# Florida Political Climate

- Florida Legislature
  - 2/3 Republicans
  - Veto Proof Majority
- Florida Congressional Delegation
  - Senators: 1 Democrat, 1 Republican
  - Representatives: 6 Democrats, 19 Republicans
- Basic Mood: “The government that governs least, governs best.”

# Florida Water Policy: Who Regulates What

- **Water Use**
  - Regulatory Agencies:
    - Water Management Districts
  - Regulatory Tools:
    - Consumptive Use Permits
    - Water Supply Planning
    - Water Conservation
    - Minimum Flows & Levels
    - Water Reservations
- **Treated Effluent: Reuse & Disposal**
  - Regulatory Agency:
    - Florida Department of Environmental Protection
  - Regulatory Tools:
    - Reuse Feasibility Studies
    - Land Application Permits (e.g. spray fields, public access reuse)
- **Reclaimed Water**
  - Point of contention regarding the extent to which water management districts have authority over reclaimed water...



# Florida Water Supply

- **State Population Growth**
  - Population in 1980: 9.7 million
  - Population in 2000: 16 million
  - Population in 2010: ≈ 18.5 million
  - Plus an estimated 76 million visitors per year
- **Result**
  - Some traditional water sources showing signs of strain
  - Increased emphasis on alternative water supplies & water conservation
- **Regulatory Responses**
  - Minimum Flows & Levels
  - Water Reservations
  - Regional Programs
    - Central Florida Coordination Area (CFCA)
      - Coordinated water management district program limits future groundwater withdrawals to no more than that needed to meet 2013 demands.
    - Southern Water Use Caution Area (SWUCA)
      - Water resources are or will become critical in the next 20 years in portions of South Florida
  - Water Conservation
    - Landscaping Requirements
    - Irrigation restrictions
    - Usage Goals
  - Alternative Water Supply Development
    - Reclaimed Water

# Florida's Leadership Role in Reclaimed Water Development

- **Reuse Capacity**
  - **1986:** 362 mgd
  - **2008:** 1,530 mgd
- **Recognition**
  - **2006:** Florida's Water Reuse Program wins EPA's inaugural Water Efficiency Leader Award
- **Where we are today...**
  - 475 large domestic wastewater treatment facilities make reclaimed water available for reuse, serving 432 reuse systems.
  - Current reuse capacity  $\approx$  64 percent of the total permitted domestic wastewater treatment capacity.
  - Average of 37 gallons/day/person of reuse, compared to the next nearest state (California), which reuses less than three gallons/day/person.
- **Not half bad, eh?...**

# Next Phase in Reclaimed Water Policy

- FWEA Utility Council
  - Facilitated formation of a stakeholder group to develop policies to achieve water conservation and alternative water supply goals without unintended consequences for utilities
- Reclaimed Water Policy Workgroup
  - Members: SJRWMD, SWFWMD, SFWMD, SJRWMD, SRWMD, NFWWMD, FDEP, Florida League of Cities, Florida Association of Counties City of Orlando, City of Tampa, JEA, GRU, Palm Beach County, Reedy Creek Improvement District, et al.
  - Monthly meetings since January 2009
  - General Approaches:
    - Enhance utility participation in water supply planning and consumptive use permitting processes
    - Develop economic incentives to promote reuse infrastructure

# Economic Incentives

- Goal: Promote the use of reclaimed water as a replacement for...
  - Existing water uses (for example, to directly replace an existing groundwater withdrawal with reclaimed water) and
  - As a mitigation tool (for example, to recharge the aquifer or provide a saltwater barrier to allow for additional groundwater withdrawals).

# Economic Incentives

- Capacity Credit:
  - If a reclaimed water provider replaces a water withdrawal with reclaimed water, then the provider should receive credit for that use in the form of withdrawal capacity.
- Offset Credit:
  - If a reclaimed water provider takes an action that mitigates the impact of ground water withdrawals, then the provider should receive a mitigation credit for the additional ground water withdrawal made available by the mitigating action. The credit shall be in the form of withdrawal capacity.

How does this proposed policy  
mesh with the current  
economic and political  
climate?

# Another Bright Idea

- Mandatory Reuse Zones
  - Local government ordinances
  - Water management districts will presume reclaimed water is economically feasible in an MRZ
  - No permittees slip through the cracks
  - Sound local government infrastructure promoted!!

How does this proposed policy  
mesh with the current  
economic and political  
climate?

# And then the one you don't see coming...

- Numeric Nutrient Criteria
  - Treatment Implications
  - Economic Implications
  - Impact to Reuse Programs

How does this new policy mesh  
with the current economic and  
political climate?

# What else of Florida Water Policy

- Type II Transfers of State Agencies
- House Bill 1565 (2010)
- More on Nutrient Criteria
- Streamlined Permitting
- CUPs and Bonds

# Discussion

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