

# 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.)

BILL: CS/CS/SB 554

SPONSOR: Comprehensive Planning Committee, Natural Resources Committee and Senator Constantine

SUBJECT: Permitting Responsibilities of Water Management Districts

DATE: April 14, 2003 REVISED: \_\_\_\_\_

|    | ANALYST         | STAFF DIRECTOR | REFERENCE  | ACTION        |
|----|-----------------|----------------|------------|---------------|
| 1. | <u>Branning</u> | <u>Kiger</u>   | <u>NR</u>  | <u>Fav/CS</u> |
| 2. | <u>Herrin</u>   | <u>Yeatman</u> | <u>CP</u>  | <u>Fav/CS</u> |
| 3. | _____           | _____          | <u>AGG</u> | _____         |
| 4. | _____           | _____          | <u>AP</u>  | _____         |
| 5. | _____           | _____          | <u>RC</u>  | _____         |
| 6. | _____           | _____          | _____      | _____         |

## I. Summary:

This committee substitute (CS) provides that the term “interdistrict transfer and use” does not include a withdrawal and use within the same county. Also, the CS provides that any agreements between water management districts entered into before the effective date of this act pursuant to s. 373.046, F.S., authorizing the issuance of permits for the interdistrict withdrawal and use of water within a county are validated and shall continue in effect until otherwise rescinded.

This CS substantially amends s. 373.2295, F.S.

## II. Present Situation:

Part II of ch. 373, F.S., provides for the permitting of consumptive uses of water by the water management districts. Section 373.223, F.S., provides that to obtain a permit, an applicant must establish that the proposed use of water:

- Is a reasonable-beneficial use as defined in s. 373.019, F.S.;
- Will not interfere with any presently existing legal uses of water; and
- Is consistent with the public interest.

Section 373.2295, F.S., provides for interdistrict transfers of groundwater. An “interdistrict transfer and use” means a consumptive water use which involves the withdrawal of groundwater from a point within one water management district for use outside the boundaries of that district. To obtain a permit for an interdistrict transfer and use of groundwater, an applicant must file an application with the water management district having jurisdiction over the area from which the

applicant proposes to withdraw groundwater and submit a copy of the application to the water management district having jurisdiction over the area where the water is to be used.

In Central Florida, three of the state's five water management districts converge.<sup>1</sup> For this reason, water resource projects, even those occurring within the same county, can require a consumptive use permit from more than one water management district.

In August 1999, the Orlando Utilities Commission (OUC) submitted a consumptive use permit application to the St. Johns River Water Management District. That application is currently under review. The OUC's service area is in both the St. Johns River Water Management District and the South Florida Water Management District and OUC operates wellfields in both districts. As a result, interdistrict transfers of groundwater occur. Historically, the OUC has received separate consumptive use permits from both the St. Johns Water Management District and the South Florida Water Management District.

In September 2002, the St. Johns River Water Management District issued a Preliminary Intended Agency Action on OUC's consumptive use permit application that proposed to authorize the consumptive use of water from the OUC wellfields within the St. Johns River Water Management District's jurisdiction pursuant to s. 373.2295, F.S., interdistrict transfers of groundwater. However, before the district's governing board could consider the application, the OUC submitted a waiver of statutory permitting timeframes in order to work cooperatively with both the St. Johns River Water Management District and the South Florida Water Management District toward a goal of issuance of a single system-wide permit by the St. Johns River Water Management District.<sup>2</sup>

As a result, both of the water management districts have conceptually agreed to having a single permit issued by the St. Johns River Water Management District with the South Florida Water Management District designating the St. Johns River Water Management District as the sole permitting agency.

### III. Effect of Proposed Changes:

**Section 1** amends s. 373.2295, F.S., to provide that the term "interdistrict transfer and use" does not include a withdrawal and use within the same county.

**Section 2** provides that any agreements between water management districts entered into before the effective date of this act pursuant to s. 373.046, F.S., authorizing the issuance of permits for the interdistrict withdrawal and use of water within a county are validated and shall continue in effect until otherwise rescinded.

This CS will allow the Orlando Utilities Commission to obtain a single consumptive use permit from the St. Johns River Water Management District through an agreement with the South Florida Water Management District for the withdrawal and use of groundwater for OUC's water system and service area within Orange County.

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<sup>1</sup> St. Johns River, South West Florida, and South Florida Water Management District.

<sup>2</sup> Memo to the St. Johns River Water Management District Governing Board from Kathryn Mennella, district's general counsel, March 7, 2003.

**Section 3** provides the act shall take effect upon becoming a law.

**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:

This CS will affect those water utilities, generally located in a single county, whose service areas are split between two water management districts. Currently, such utilities, and specifically, the Orlando Utilities Commission, must obtain a consumptive use permit from both the St. Johns Water Management District and the South Florida Water Management District. The estimated out-of-pocket cost for the Orlando Utilities Commission to apply for a permit is \$500,000. These costs include research and various studies required for the permits. Such costs are ultimately passed on to the ratepayer. This will reduce those costs to the extent that only one permit application will be necessary. It is anticipated that such cost savings could be passed on to the ratepayer.

C. Government Sector Impact:

As indicated above, only one application will be filed with one water management district for a consumptive use permit by utilities such as the Orlando Utilities Commission. This will reduce or eliminate any duplicative efforts by the water management districts involved.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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

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