



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

April 1, 2016

The Honorable Jo-Ellen Darcy
Assistant Secretary of the Army for Civil Works
Department of the Army
108 Army Pentagon, Room 3E446
Washington, DC 20310-0108

Subject: Execution of Project Partnership Agreements

Dear Secretary Darcy:

Thank you for your continued commitment to Everglades restoration and those projects that will directly benefit Lake Okeechobee and the Caloosahatchee and St. Lucie Estuaries. Your support for the planning activities associated with the Lake Okeechobee Watershed Project (LOWP Project) and the recent authorization of the U.S. Army Corps of Engineers (USACE) to execute a project partnership agreement (PPA) for the Caloosahatchee River (C-43) West Basin Storage Reservoir Project (C-43 Project) is critical to our efforts to protect south Florida's environment. The USACE and South Florida Water Management District (SFWMD) are targeting summer of 2016 for kicking off the LOWP Project planning activities and May of 2016 for signing the PPA for the C-43 Project.

Guided by a Pre-Partnership Credit Agreement for the C-43 Project, SFWMD has already achieved significant progress on this important project. The first construction contract for site preparation was awarded by SFWMD in September 2015. The second contract for one of two pump stations was awarded by the SFWMD this month. Expedited completion of this project by SFWMD will provide significant ecological benefits to the Caloosahatchee Estuary as well as much-needed operational flexibility for managing coastal impacts from Lake Okeechobee discharges.

To maintain Everglades restoration momentum and uphold the 50-50 cost-share balance required by the Comprehensive Everglades Restoration Plan (CERP), I respectfully request that you authorize the USACE to reallocate a small portion of its FY2016 funding to negotiate and execute PPAs for two additional CERP projects: the Broward County Water Preserve Areas (BCWPA) project and the Biscayne Bay Coastal Wetlands (BBCW) Phase 1 project.

Upon execution of these two PPAs, the SFWMD would receive approximately \$280 million in credit. Addition of this credit to the cost-share ledger will allow the USACE to seek additional appropriations for south Florida ecosystem projects, to complete its ongoing construction contracts at the C-44 Reservoir and Picayune Strand Restoration

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Projects, and to initiate additional ecosystem restoration contracts without having to request cash contributions from SFWMD.

Execution of a PPA for the BCWPA project will have the greatest impact on the overall cost-share balance for CERP, as it will provide SFWMD with approximately \$250 million in credit for prior land acquisition expenses. The State of Florida and the SFWMD took the initiative to acquire lands needed for this project well in advance of authorization. Early acquisition ensured that the lands would be available for the project, considering the significant development pressure that existed in Broward and Miami-Dade counties during the late 1990s and early 2000s.

Initiating construction on the BCWPA project is also critical because completion of the C-11 Impoundment component is a predecessor to implementation of the Central Everglades Planning Project. Authorizing the USACE to execute a PPA in FY2016 and, if possible, reallocating funds in early FY2017 to allow the USACE to award a contract for construction of the C-11 North Mitigation Area, will achieve progress on this first functional portion of the C-11 Impoundment.

In March 2013, SFWMD completed construction of the Deering Estate Flow-way component of the authorized BBCW Phase 1 project. For the past three years, SFWMD has been operating and maintaining this component at 100% non-Federal expense. In addition to allowing credit for SFWMD's land acquisition and construction expenditures, execution of a PPA for the BBCW Phase 1 project is necessary to authorize the USACE to pay its 50% share of the costs for operation, maintenance, repair, replacement and rehabilitation (OMRR&R) of the Deering Estate Flow-way features.

SFWMD has been working with the USACE–Jacksonville District to develop construction plans and specifications for the L-31 East Flow-way component of BBCW Phase 1 project. The first set of plans and specifications are expected to be completed and ready for the USACE to issue construction contract solicitations by the fourth quarter of FY2016. Please consider authorizing the USACE to reallocate \$1 million in FY2016 to initiate construction on the L-31E Flow-way. Completion of the L-31E Flow-way will help to improve the salinity regimes and re-establish productive nursery habitat in the Biscayne National Park.

Finally, please consider including funds in the USACE's FY2018 budget request for development of the Project Implementation Report for Phase 2 of the BBCW project. Several environmental stakeholder groups and the U.S. Department of the Interior staff have urged the USACE and SFWMD to complete the Phase 2 planning so that a recommended plan can be authorized for construction soon after completing construction of the Phase 1 features.

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Thank you for considering these requests. Executing the PPAs and reallocation of a small portion of USACE funding in FY2016 and 2017 will allow for continued, uninterrupted progress on Everglades restoration.

Sincerely,

A handwritten signature in blue ink that reads "Dan O'Keefe". The signature is fluid and cursive, with the first name "Dan" being larger and more prominent than the last name "O'Keefe".

Dan O'Keefe
Chairman, SFWMD Governing Board

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