

GOVERNING BOARD POLICY

Southwest Florida Water Management District

Title: Cooperative Funding Initiative

Document Owner: Resource Management Division Director

Approved By: Board Chair

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PURPOSE

In accordance with Chapter 373, Florida Statutes (F.S.), the Governing Board (Board) may participate and cooperate with counties, municipalities, water supply authorities, and other interested entities in water management programs and projects of mutual benefit, provided such programs and projects are consistent with the District's statutory authority and will ensure proper development, utilization, and conservation of the water resources and ecology within the jurisdictional boundaries of the District. In addition, the Governing Board will implement the state's Water Protection and Sustainability Program through its Cooperative Funding Initiative if state funds are appropriated for this program.

SCOPE

This Policy applies to projects submitted by cooperators as a part of the Cooperative Funding Initiative.

AUTHORITY

Chapter 373, Florida Statutes

DEFINITIONS

N/A.

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POLICY GUIDELINES

The following guidelines apply to all projects. The Board may deviate from the guidelines for a specific project if it determines that such deviation would be appropriate.

- 1) The Board will give priority consideration to those projects designed to further the implementation of the District Strategic Plan, Water Management Plan, Comprehensive Watershed Management Plans, Surface Water Improvement and Management Plans, and Regional Water Supply Plan.
- 2) The District is committed to supplier diversity in the performance of all contracts associated with District Cooperative Funding projects. The District requires the cooperator to make good faith efforts to encourage the participation of minority and women-owned business enterprises, both as prime contractors and sub-contractors, in accordance with applicable laws.
- 3) The Board will consider the applicant's efforts in developing, implementing, and enforcing best water management practices, including but not limited to, conservation-oriented water rate structures and irrigation, landscape and flood protection ordinances.
- 4) Funding may be provided to assist with the cost of data collection, research, feasibility studies, conservation and environmental education initiatives; ecosystem restoration, water resource investigation and plan development; and design, permitting and construction of capital projects. Funding is not available for operation and maintenance, payment of debt, and projects required by local, state or federal permits, unless approved by the Board.
- 5) Funding assistance will be contingent upon concurrent project action and commitment by the applicant to ensure the project goals will be implemented.
- 6) The Board will consider funding based on the applicant's ability to demonstrate that such funding is necessary to make the project economically feasible.
- 7) The applicant must demonstrate any matching funds have been appropriated, are contained within a Capital Improvement Plan, or otherwise committed to the project.
- 8) State and federal appropriations and grants:
 - a) The cooperator's funding match is based on the initial Board-approved project amount and cannot include state or federal appropriations, or grant monies.
 - b) District funding will not increase above the Board-approved funding amount. The District will not fund any project cost increases.
 - c) State or federal appropriations, or grant monies, may be used to cover project cost increases. Should those state or federal appropriations, or grant monies, exceed project cost increases, the remaining funds will be used to equally reduce the District's funding amount and the cooperator's Board-approved match.
 - d) If project costs are equal to or less than the initial Board-approved project amount, state or federal appropriations, or grant monies, will equally reduce the District's funding amount and the cooperator's Board-approved match.
 - e) The National Estuary Program is excluded from this provision.

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- 9) Pursuant to the provisions of Section 288.06561, F.S., the Board may reduce or waive requirements for matching funds when requested by rural counties or municipalities, as defined by Subsection 288.0656(2), F.S.
- 10) All applications submitted for funding consideration must be signed by a single Senior Administrator acting as a coordinator for the Cooperative Funding Initiative. If an applicant submits multiple applications, an overall ranking of the projects is required. Final decisions regarding the funding of project proposals are the exclusive responsibility of the Board.
- 11) To be eligible for District cooperative funding, a septic conversion project must receive at least 50% funding based on the initial Board-approved project amount from the state or the Florida Department of Environmental Protection; the project must be located within a first-magnitude spring Basin Management Action Plan boundary; and local ordinances must be in place supporting Florida Statutes to require connection and restrict new conventional septic systems.
- 12) The Board will create four regional sub-committees that match the District's regional water supply planning areas. The subcommittees will consist of Governing Board members from those areas and Board members from other areas as needed to create a committee of at least three members who will be appointed by the Board Chair. The regional sub-committees will hold two public meetings to review project applications, unless the Governing Board approves a deviation from the regional sub-committee review process. The role of the sub-committees will be to:
 - a) Review project information, project scoring, and funding recommendations;
 - b) Accept cooperator and general public comments on projects;
 - c) Identify any projects that need to be presented for full Board consideration;
 - d) Provide funding recommendations to the Board for all projects in that region.
 - e) The Board will provide final funding approval on all projects.
- 13) All funding applications for construction projects will require preliminary design plans and cost estimates be submitted at the time of application. The applicant will be required to submit the results of an independent third-party review with the funding application if the project is estimated to cost more than \$5,000,000. This review is to confirm the project cost, schedule, and ability of the project to meet the proposed resource benefit.
- 14) The Governing Board delegates contract execution authority for Board approved projects to the Executive Director who may delegate, in writing, any or all approval to one or more designee.
- 15) In determining whether, and how much funding will be provided by the District, the District will consider the project benefit and costs effectiveness metrics.

The following additional guidelines apply to potable alternative water supply projects:

It is the express intent of the Board to utilize its incentive based funding to encourage the development of fully integrated, robust, multijurisdictional water supply systems composed of diverse sources (i.e., groundwater, surface water, off-stream reservoirs, desalination, etc.), managed in a manner that takes full advantage of Florida's intense climatic cycles to ensure reliable, sustainable and drought resistant systems, which maximize the use of alternative

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supplies to the greatest extent practicable. Alternative water supplies include indirect and direct potable reuse (IPR/DPR) projects. Multijurisdictional means two or more water utilities or local governments that have been organized into a larger entity or have entered into an interlocal agreement or contract for the purpose of more efficiently pursuing water supply development or alternative water supply development projects pursuant to a regional water supply plan. The water supply systems of the multijurisdictional entity must be interconnected and must have a formalized operational management agreement that ensures the interconnected supplies are managed in a manner consistent with the Board's intent as described herein. All operational agreements between multijurisdictional entities will be evaluated by the District and must be deemed consistent with the Board's intent as described herein.

Consistent with Section 373.707, F.S., the District shall prioritize funding for alternative water supply projects owned, operated and controlled, or perpetually controlled by a Regional Water Supply Authority (RWSA) or a regional entity created by an interlocal agreement that establishes a separate legal entity, with sufficient authority to fund, own, construct, operate and maintain alternative potable water supply systems. The regional entity must be recognized by the Board through a commitment of funds that assist in the establishment of the entity.

- 1) Projects that do not meet the multijurisdictional criteria will not be considered for funding.
- 2) If a member government of a RWSA proposes a potable water supply project, it must be submitted by the RWSA to be considered for District funding.
- 3) Projects submitted by non-member governments within the service area of a RWSA will be considered for funding only if the non-member government has reviewed its plan with the RWSA to ensure the project is not inconsistent with the RWSA plan. The non-member government must submit an affirmative written statement from the RWSA indicating that the project is not inconsistent with RWSA plan.
- 4) All potable alternative water supply projects will be required to identify the quantity of alternative water supply that will be made available upon completion of the project. It is the intent of the Board that the quantity made available will be used as "base supply". The base supply will be clearly defined by the cooperator on a project-by-project basis and will include, but not be limited to, the overall alternative water supply system capacity, typically expressed in million gallons per day, the expected annual average use for the life of the project, as well as the frequency and timing of use of the available alternative water supply quantities. The base supply defined by the cooperator will be reviewed and approved by the Board as a part of the Cooperative Funding Initiative project review and budgeting process. The cooperative funding agreement between the District and the cooperator will include the base supply requirements approved by the Board. The Board may consider adjustments to a project's base supply quantity and definition by amendment of the cooperative funding agreement.

DISTRIBUTION

This Policy will be stored in the Governing Board Policy Repository.

REFERENCES

Chapter 373, Florida Statutes

Chapter 40D-2, Florida Administrative Code

REVIEW PERIOD

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This Policy will be reviewed annually by staff. Any necessary changes will be brought to the Governing Board.

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APPROVAL


Joel A. Schleicher
Chair

3/28/23
Date