

1 RESOLUTION NO. 1- 2015

2 A RESOLUTION OF THE PALM BEACH COUNTY LEAGUE
3 OF CITIES ACKNOWLEDGING THE EFFORTS AND
4 WORK OF THE C-51 GOVERNANCE AND FINANCE
5 WORK GROUP, AND DIRECTING STAFF TO DISTRIBUTE
6 APPROVED RESOLUTIONS TO THE BROWARD AND
7 PALM BEACH COUNTY BOARDS OF COUNTY
8 COMMISSIONERS, THE BROWARD LEAGUE OF CITIES,
9 AND THE SOUTH FLORIDA WATER MANAGEMENT
10 DISTRICT GOVERNING BOARD.

11 WHEREAS, the Broward and Palm Beach Water Resources Task Forces (Task
12 Forces) were created in 2008 and 2009, respectively, to identify and evaluate
13 opportunities for and impediments to providing future water supply, conservation,
14 wastewater treatment, and reuse or reclaimed water opportunities in the most efficient
15 and cost-effective manner; and

16 WHEREAS, since 2006, and prior to the creation of the Broward and Palm Beach
17 Water Resources Task Forces, Broward and Palm Beach water providers had been
18 collaborating in the potential development of a large surface water reservoir project in
19 western Palm Beach County, known as the C-51 Reservoir, to serve as a regional
20 alternative water supply by storing wet-season stormwater runoff for later distribution
21 and use during the dry season; and

22 WHEREAS, the C-51 Reservoir became the focus of significant evaluation by
23 each of the Task Forces, and, based on this shared interest, the Task Forces convened
24 the first of a series of joint meetings on June 5, 2009, in coordination with the South
25 Florida Water Management District (SFWMD), for the purpose of shared discussion,
26 evaluation of project alternatives, and staff guidance; and

1 WHEREAS, the Task Forces continued to meet annually for the purpose of
2 receiving progress reports and to consider the project merits based on the evolution of
3 project policy, planning, cost estimates and regulatory considerations; and

4 WHEREAS, at a joint meeting of the Task Forces on January 28, 2013, staff
5 provided an overview of the C-51 Reservoir Project history and status and described a
6 phased construction approach that could provide 35 million gallons per day (MGD) in
7 water supply at a cost of \$150 million, compared to earlier estimates for the fully-
8 constructed reservoir, estimated to deliver 185 MGD at a total construction cost of \$760
9 million; and

10 WHEREAS, members of the Task Forces voted at the January 28, 2013, joint
11 meeting to support the next phase of project planning with the creation of a Governance
12 and Finance Work Group consisting of project stakeholders to oversee further
13 refinement of project costs and recommend finance and governance strategies; and

14 WHEREAS, a resolution of support was advanced for consideration and
15 endorsement by County officials, local governments, water providers, and water utilities;
16 and

17 WHEREAS, the C-51 Governance and Finance Work Group (Work Group) first
18 convened on September 18, 2013, with membership consisting of representatives from
19 Broward and Palm Beach County Boards of County Commissioners, the Broward and
20 Palm Beach Task Forces, the South Florida Water Management District, the South
21 Broward Drainage District, the Lake Worth Drainage District, and municipal
22 representatives, with membership that ultimately expanded to 15 members, including
23 four municipal representatives and alternates from each of the two Counties; and

24

1 WHEREAS, the Work Group opted to conduct an independent cost estimate and
2 financial analysis of the C-51 Reservoir as an initial assignment; and

3 WHEREAS, the report was developed in early 2014 and finalized in June 2014,
4 and included project cost scenarios based on planning level costs at 30 percent design
5 for both phase I and II construction, routing scenarios, and project contingencies; and

6 WHEREAS, from this report, the updated cost figure for Phase I construction of
7 the C-51 Reservoir is estimated at \$146 million or \$4.16/gallon of storage capacity (35
8 MGD capacity) with Phase II to provide an additional 96 MGD of storage capacity for
9 \$286 million or \$3.00/gallon; and

10 WHEREAS, an addendum to these cost estimates was provided in December
11 2014 based on additional project components detailed by the SFWMD with potential to
12 add as much as \$32 million to the total construction costs; and

13 WHEREAS, the addendum also presents three potential scenarios to help
14 reduce and defer these additional project costs, with final project costs ranging from
15 \$178 million or \$5.09/gallon (Scenario 1) to \$152 million or \$4.34/gallon (Scenario 3);
16 and ,

17
18 WHEREAS, additional hydrologic modeling and coordination with the South
19 Florida Water Management District has supported the current project design concept
20 and the establishment of a regulatory framework for project permitting and source water
21 allocation; and

22 WHEREAS, governance of the project is proposed to be provided through the
23 organization of a Florida not-for-profit with membership consisting of partner water
24 utilities, with the finished project to be the property of partner water providers, but with

1 system operations managed in coordination with adjacent L-8 Reservoir and by the
2 South Florida Water Management District; and

3 WHEREAS, the property owner, Palm Beach Aggregates, has since advanced
4 an Environmental Resource Permit application to the Florida Department of
5 Environmental Protection and a consumptive use permit application to the SFWMD; and

6 WHEREAS, at least three regional water providers have provided “Letters of
7 Intent” to the SFWMD stating formal interest in the C-51 Reservoir as a water supply
8 and the intent to seek a source allocation from the C-51 Reservoir as part of their
9 individual consumptive use permits; and

10 WHEREAS, if advanced, the C-51 Reservoir would provide a new source of
11 traditional water sources under the Regional Water Availability Rule for utilities in
12 southern Palm Beach and Broward Counties, a significant multi-jurisdictional area; and

13 WHEREAS, the benefit of the project extends well beyond water supply and
14 include water quality improvements for the Everglades Protected Areas, reduced
15 stormwater discharges from the Lake Worth Drainage District, and mitigation of the
16 impacts of climate change, such as drought, saltwater intrusion of coastal wells, and
17 flooding during extreme storm events; and

18 WHEREAS, the C-51 Governance and Finance Work Group has played a key
19 role in this nearly decade-long collaboration and, just one year after its creation,
20 considers its responsibilities complete, having recommended Phase 1 development of
21 the C-51 Reservoir and further negotiations with the SFWMD to minimize project cost
22 scenarios presented in the December 2014 addendum, supporting the Florida not-for-
23 profit governance option, and a regulatory strategy that allows for a 50-year
24

1 consumptive use permit and recognizes the regional benefits in accordance with
2 individual CUP requests; and

3
4 BE IT RESOLVED BY THE PALM BEACH COUNTY LEAGUE OF CITIES

5
6 Section 1. The Palm Beach County League of Cities acknowledges the efforts
7 and work products of the C-51 Governance and Finance Work Group, including the
8 June 2014 cost estimates and December 2014 addendum.

9 Section 2. The Palm Beach County League of Cities encourages the South
10 Florida Water Management District to support the most cost effective scenario of the
11 December 2014 C-51 Reservoir Independent Cost Estimate and Financial Analysis
12 Addendum to help restrain total project costs associated with Phase I construction of
13 the C-51 Reservoir.

14 Section 3. The Palm Beach County League of Cities encourages continued
15 coordination with regulatory partners to ensure final permitting and expeditious
16 construction of Phase I of the C-51 Reservoir as a Regional Water Supply.

17 Section 4. The Palm Beach County League of Cities directs staff to send a
18 certified copy of this resolution to the Broward County Board of County Commissioners,
19 the Palm Beach County Board of County Commissioners, and the South Florida Water
20 Management District's Governing Board.

21 Section 5. EFFECTIVE DATE.

22 This Resolution shall become effective upon adoption.

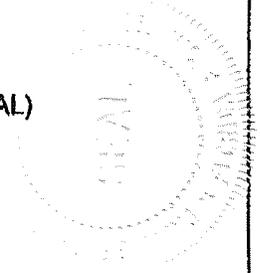
23
24 ADOPTED this 24 day of June, 2015.

THE PALM BEACH COUNTY LEAGUE OF CITIES, INC.

Dawn Pardo

Dawn Pardo, President

(SEAL)



ATTEST:

Mo Thornton

Mo Thornton, Secretary/Treasurer

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