Overview of Florida’s RESTORE Act
State Expenditure Plan

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The DWH Settlement

Resolution of Environmental Claims

- $4.4B plus interest BP
- $800M plus interest Transocean
- $123M plus interest Anadarko
- $8.3B Total

1 The BP funds shown for RESTORE and NRDA are based on the settlement entered on April 4, 2010, to resolve all federal & state claims against BP. The RESTORE and NRDA funds will be disbursed over a 15 year period, the first payment will occur in 2017. Furthermore, Florida will receive $22B in economic damages (please contact State of Florida Attorney General’s office for more information).

2 In 2013, US District Court approved two plea agreements resolving certain criminal cases against BP & Transocean totaling $4.4B. The agreements directed $2.544B to the National Fish & Wildlife Foundation (NFWF). NFWF funds are disbursed over a 5-year period, with the majority of the payments occurring in 2017-2018. NFWF funds are to be used to remediate harm and eliminate or reduce the risk of future harm to Gulf Coast natural resources that were adversely affected by the Deepwater Horizon oil spill.

3 Clean Water Act (CWA) civil & administrative penalties are split between the RESTORE Act (80%) and the Oil Spill Liability Trust Fund (20%). Transocean was assessed $18B in CWA penalties, $669M plus interest of which is in RESTORE. Anadarko was assessed $152.3M in CWA penalties, $123M plus interest of which is RESTORE. BP has agreed to pay $5.5B BP in CWA penalties ($4.4B plus future interest) plus future interest will go to RESTORE. Transocean and Anadarko have already paid their penalties. RESTORE funds can be used to address economic and ecological recovery of the Gulf Coast region.

4 Distribution of these funds will be based on a competitive process. In the Council’s $183M Initial Funded Priority List, about $38M, or 21% of the total, is allocated towards projects within or otherwise benefiting Florida.

5 Natural Resource Damage Assessment (NRDA) funds are to be used to restore the natural resources and the services those resources provide which were injured by the Deepwater Horizon Oil spill.
RESTORE Act Money “Pots”

Clean Water Act Penalties

- 35% evenly split among the 5 Gulf states
- 30% To Gulf Coast Ecosystem Restoration Council to implement the comprehensive recovery plan (supplemented by 50% of the interest generated by the Trust Fund)
- 30% to the states consistent with the goals and objectives of the comprehensive plan and based on the following allocation formula:
  - the proportion of the number of miles of oiled shoreline per state compared to total number of miles of oiled shoreline
  - the inverse proportion of the average distance from the BP Deepwater Horizon rig to oiled shoreline of each state
  - the average population of coastal counties per the 2010 census

- 2.5% Gulf Coast Ecosystem Restoration Science, Observation, Monitoring and Technology Program (supplemented by 25% of the interest generated by the Trust Fund)
- 2.5% Centers of Excellence

Florida State Expenditure Plan
What is the State Expenditure Plan?

• By formula, Florida’s share of the Spill Impact Component (Pot 3) is $293.6 million

• Preparation of a State Expenditure Plan (SEP) is required for Florida to receive its share of Pot 3 funds

• The SEP must identify the projects, programs and activities that Pot 3 funds will be expended on

• The SEP must be approved by the Gulf Coast Ecosystem Restoration Council before implementation grants

• The Florida SEP is the third approved SEP – the others include LA and MS

• The Gulf Consortium is the entity responsible for the preparation of the Florida SEP
Gulf Consortium

- The designated entity cited in the RESTORE Act for the development of the Florida SEP

- Established in October 2012 by MOU and inter-local agreement

- Board of Directors
  - 23 voting members - elected officials from the 23 Gulf coastal counties
  - 6 non-voting members - Governor appointees
  - Meets 4-6 times per year

- Funded by county contributions and grant funds

- Governor must approve the SEP and transmit it to the Council
SEP Requirements

1. Meets one or more of the 11 eligible activities under the RESTORE Act

2. Contributes to the overall economic and ecological recovery of the Gulf Coast

3. Is consistent with the goals and objectives of the Comprehensive Plan

4. Does not use more than 25% of funds for infrastructure unless the infrastructure limitation exception is met

5. Is compatible with other State Expenditure Plans with regard to issues that cross Gulf Coast State boundaries
RESTORE Act Eligible Activities

1. Restoration and protection of the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches and coastal wetlands of the Gulf Coast region
2. Mitigation of damage to fish, wildlife, and natural resources
3. Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan, including fisheries monitoring
4. Workforce development and job creation
5. Improvements to or on State parks located in coastal areas affected by the Deepwater Horizon oil spill
6. Infrastructure projects benefiting the economy or ecological resources, including port infrastructure
7. Coastal flood protection and related infrastructure
8. Planning assistance
9. Administrative costs of complying with the Act
10. Promotion of tourism in the Gulf Coast region, including recreational fishing
11. Promotion of the consumption of seafood harvested from the Gulf Coast region
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What is Infrastructure?

Infrastructure means the public facilities or systems needed to support commerce and economic development. These installations and facilities span a wide range, including highways, airports, roads, buildings, transit systems, port facilities, railways, telecommunications, water and sewer systems, public electric and gas utilities, levees, seawalls, breakwaters, major pumping stations, and flood gates. Infrastructure encompasses new construction, upgrades and repairs to existing facilities or systems, and associated land acquisition and planning.

Department of Treasury
Infrastructure Limitation Exemption

Wastewater and stormwater system upgrades are **not** considered to be infrastructure if their **primary** objective is to mitigate legacy water pollution problems.
Even-Steven Funding Split and County-Driven Process

$290.7M ÷ 23 = $12.6M per county
SEP Organization

- Executive Summary
- Section I – State Certification of RESTORE Act Compliance
- Section II – Public Participation Statement
- Section III – Financial Integrity
- Section IV – Overall Consistency with Goals & Objectives of the Comprehensive Plan
- Section V – Proposed Projects, Programs and Activities
- Section VI – Implementation
  - Sequencing
  - Leveraging
Projects and Programs

- A total of 69 projects and programs are proposed
- The term “program” refers to bundled projects that address a common goal or theme – total number of projects >80
- Total cost of all proposed projects and programs = $630,816,530
- Total committed funding = $439,350,635
- Balance of $191,465,895 must be made up through leveraging
- Wide diversity of project types
  - Reflect local and regional priorities
  - Cumulatively address statewide priorities
  - Balanced blend of environmental and economic projects
- Well below the 25% infrastructure limitation
  - 12 projects totaling $39,420,000 (14% of total Pot 3 allocation)
RESTORE Act Eligible Activities

- Eligible Activity 1: Restoration and protection of the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches and coastal wetlands of the Gulf Coast region
- Eligible Activity 6: Infrastructure projects benefiting the economy or ecological resources, including port infrastructure
- Eligible Activity 7: Coastal flood protection and related infrastructure
- Eligible Activity 8: Planning assistance
- Eligible Activity 10: Promotion of tourism in the Gulf Coast region, including recreational fishing
- Eligible Activity 11: Promotion of the consumption of seafood harvested from the Gulf Coast region
Council Objectives

- **Objective 1:** Restore, Enhance, and Protect Habitats
- **Objective 2:** Restore, Improve, and Protect Water Resources
- **Objective 3:** Protect and Restore Living Coastal and Marine Resources
- **Objective 4:** Restore and Enhance Natural Processes and Shorelines
- **Objective 5:** Promote Community Resilience
- **Objective 6:** Promote Natural Resource Stewardship and Environmental Education
- **Consortium Objective 8:** Restore, Diversify, and Revitalize the Gulf Economy with Economic and Environmental Restoration Projects
FDEP Project Types

- Community Resilience: 20%
- Habitat Restoration: 7%
- Land Acquisition: 6%
- Living Resources: 15%
- Recreation/Public Access: 10%
- Water Quality/Quantity: 42%
FDEP Project Type Costs

- Community Resilience: 6%
- Habitat Restoration: 6%
- Land Acquisition: 5%
- Living Resources: 6%
- Recreation/Public Access: 13%
- Water Quality/Quantity: 64%
Project Stage of Development

- Concept: 9%
- Planning: 17%
- Feasibility: 22%
- Design & Permitting: 46%
- Implementation: 6%
Percent Infrastructure

- Non-Infrastructure Cost
- Infrastructure Cost

Infrastructure Project Cost

- $39,420,000 (14%)
- $251,760,000 (86%)
Project Examples

• Septic to sewer conversions in coastal areas
• Artificial reef development and enhancement
• Boat ramps and public access
• Habitat restoration/enhancement
  – Oyster reefs
  – Living shorelines
• Estuarine hydrologic restoration
• Contaminated sediment removal
Charlotte Harbor Septic to Sewer Conversion

- Removal of an estimated 27,000 septic tanks in dense residential areas
- Conversion to central sewer collection and advanced treatment systems
- Addresses legacy water pollution in Charlotte Harbor impaired for nutrients
- Total project cost = $89,710,000
Apalachicola Bay Oyster Restoration

- Feasibility study to determine and prioritize restoration sites
- Cultch placement on existing and historic locations of oyster reefs at appropriate depths
- Pre- and post-monitoring and data collection
- Builds on previous oyster restoration project completed by FWC and FDACS (219-acre $4.68M)
- Total project cost = $5,000,000
Collier County Comprehensive Watershed Improvement Project

- Hydrologic restoration to redirect flows from the Golden Gate Canal back to the Rookery Bay watershed
- Mitigates major legacy drainage impacts and associated ecological damage
- Restores more natural freshwater flows and salinity patterns in both Naples and Rookery Bays
- Enhances conditions for seagrass and oyster recovery
- Total project cost = $32,000,000
Bayou Chico Contaminated Sediment Remediation

- Feasibility study to assess, map and quantify contaminated sediments
- Removal of approximately 1 million cubic yards of contaminated sediments
- Restoration of marshes, benthic communities and water quality
- Addresses legacy water pollution in Bayou Chico from historical industrial and municipal sources
- Total project cost = $22,600,000
Projects Sequencing

• The term “sequencing” refers to the phasing of projects over the 15-year payout

• Sequencing goals:
  – Address urgent needs
  – Demonstrate early successes
  – Ensure that every county is making progress

• Consortium adopted a “collaborative phased allocation” approach
  – Projects implemented over four 4-year work programs
    • 2018-2021
    • 2022-2025
    • 2026-2029
    • 2030-2033
  – A county can spend its entire 4-year allocation in Year 1 of a given work program if the project is a high priority and ready for implementation
The Florida SEP was approved by the Restoration Council on August 24, 2018.

Implementation will occur through 2032.

Each project will be require a detailed grant application submittal and rigorous grant administration.

Applicable projects must demonstrate consistency with Best Available Science.

Success monitoring required for all projects.

MEMORANDUM

FROM: Ben Scaggs
Executive Director

TO: Andrew Wheeler,
Acting Administrator, U.S. Environmental Protection Agency (EPA)
Chairperson, Gulf Coast Ecosystem Restoration Council (Council)

DATE: August 24, 2018

SUBJECT: Recommendation for Approval of Florida State Expenditure Plan

Pursuant to the Resources and Ecosystems Sustainability, Tourist Opportunities and Revived Economies of the Gulf Coast Act of 2012, 33 U.S.C. §1321(t) and note (RESTORE Act), the attached Florida State Expenditure Plan (SEP) requires approval or disapproval by the Chairperson of the Council within sixty days after receipt by the Council. This sixty-day review period officially began on July 30, 2018; the statutory deadline for Chairperson approval or disapproval is September 27, 2018.

According to the Council’s SEP Guidelines, Council staff will review the proposed SEP and make a recommendation to the Chairperson as to whether to approve or disapprove it based on the requirements of the RESTORE Act, the Department of the Treasury’s implementing regulations and the Council’s SEP Guidelines.

I have reviewed the SEP and find that it is complete and meets all applicable requirements. I therefore recommend that the Chairperson approve the SEP on behalf of the Council. A more detailed explanation of this recommendation is provided below. If you agree with this recommendation and approve the SEP, the attached response letter has been prepared for your signature.

The attached letter would constitute the Chairperson’s affirmative vote to approve the SEP. Pursuant to section 4.3.8 of the Council’s Standard Operating Procedures, Council staff will post on the Council’s website all deliberative materials (including this memorandum) at least seven days before formal Council approval of the SEP.