

PRELIMINARY AGENDA
FLORIDA INLAND NAVIGATION DISTRICT's
LEGISLATIVE COMMITTEE MEETING

8:15 a.m., Saturday, February 16, 2013

Hilton Garden Inn
8540 Commerce Centre Drive
Port St. Lucie, St. Lucie County, Florida.

Committee Members
Nancy Freeman, Chair
Commissioners Carl Blow, Tyler Chappell, Spencer Crowley & Jerry Sansom.

Item 1. **Call to Order.**

Chair Freeman will call the meeting to order.

Item 2. **Roll Call.**

Assistant Executive Director Mark Crosley will call the roll.

Item 3. **Additions or Deletions.**

Any additions or deletions to the meeting agenda will be announced.

RECOMMEND Approval of a final agenda.

Item 4. **Tallahassee Report.**

Jon Moyle, Jr., of the District's Tallahassee government relations firm, has submitted a status report on their activities on the District's state issues. Florida Senate Bill SB 538 has been submitted that includes language affecting certain special taxing districts.

(see back up pages 3 - 14)

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Item 5. Washington DC. Report, 2014 Federal Funding Request.

The District's Federal governmental relations firm submitted a status report on their activities on the District's federal issues. Staff has prepared a 2014 Federal funding request package to distribute during our Washington D.C. visit.

RECOMMEND Approval of a recommendation to the full Board of the 2014 Federal funding requests

(see back up pages 15 - 22)

Item 6. Additional Staff Comments and Additional Agenda Items.

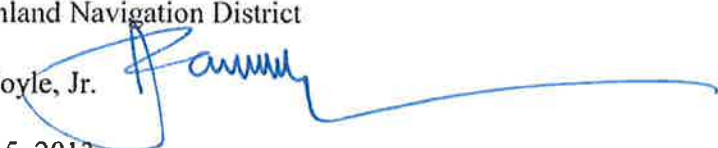
Item 7. Commissioners Comments.

Item 8. Adjournment.



MEMORANDUM

TO: Dave Roach, Executive Director
Mark Crosley, Assistant Executive Director
Florida Inland Navigation District

FROM: Jon C. Moyle, Jr. 

DATE: February 5, 2013

RE: Update of Florida Legislative Activity and Bills of Interest

As requested, here is the February legislative report that will update you and the Board on the status of a number of general issues that will be considered during the 2013 session. The report also discusses 2013 legislative issues likely to be of interest of interest to the Florida Inland Navigation District ("FIND") and highlights legislative issues are likely to be raised by the Florida Department of Environmental Protection. Finally, I have attached a list of bills that are currently being monitored for FIND.

GENERAL OVERVIEW

The 2013 legislative session, scheduled to last 60 consecutive days, begins on Tuesday, March 5, 2013 and ends on Friday, May 3, 2012. A number of legislative committee meetings took place last month, and are continuing throughout the month of February. (Legislative committee meetings will not be held during the last week in February, the week before the start of the 2013 regular legislative session.) Bills are being prepared and filed, and will continue to be filed until the first day of the legislative session. To date, 311 bills have been filed in the

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Florida House, which has a limit of six bills per member, while 302 bills have been filed in the Florida Senate. The firm is reviewing all filed bills, and tracking ones that may impact FIND, or be vehicles for amendments that could possibly affect FIND. The current bill tracking list is attached to this report.

BUDGET UPDATE

The only action the Legislature must take during its regular session is to pass a state budget. Last week, the Governor released his budget recommendations for the 2013-14 fiscal year. For the first time in many years, the economic trends appear positive and the state's projected revenues are not declining. Also, the Florida Supreme Court recently affirmed, by a 4-3 vote, a state law providing for a 3% employee contribution to the state retirement plan. This judicial action removed a significant contingent liability from the state's books, and made available more than \$ 1 billion dollars in recurring and non-recurring general revenue dollars. Consequently, the pressure on state budget writers to make budget cuts has dissipated. The Governor's proposed budget, which traditionally serves as a starting point for budget deliberations, totals just over \$74 billion dollars, a more than \$4 billion dollar increase from the \$69.9 billion dollar budget the Legislature passed last year. The Governor, in announcing his budget recommendations, highlighted a number of issues, including the following:

Education: State workers have not received a pay raise in six years. Governor Scott's budget provides a \$2,500 raise for all teachers, and a \$1,200 bonus for all state workers with the possibility of additional incentive pay; restoration of significant funding for the state's higher

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education system, which has been cut in past years, and an additional \$1.2 billion dollars, a 7.3% increase, in funding for K-12 schools;

Economic Incentives: The Governor's budget does not contain revenue increases and offers a permanent and recurring sales tax exemption to manufacturers who purchase new equipment. This exemption is valued in excess of over \$100 million of additional tax incentives for those who make capital purchases of new equipment.

Land Preservation: The state's land purchasing and preservation efforts have likewise suffered during the Great Recession. Governor Scott has proposed \$75 million for land preservation efforts and seeks new sums earmarked for Everglades restoration.

The Legislature is not bound by his recommendations, but will likely work with the Governor on a number of these issues. Legislative appropriations committees will begin considering the Governor's budget this week.

ISSUES AND BILLS OF INTEREST TO FIND

As mentioned, bills will continue to be introduced for consideration until March 5, 2013. The firm is monitoring and looking for possible amendments that would address issues related to special districts and other topics of interest to FIND.

Senate Bill 538 regarding special districts was recently filed by Senator Jeremy Ring (D-Margate). This bill provides that a special district with ad valorem taxing authority which seeks to "build, improve or expand public facilities" must obtain the approval of the affected local government. For special districts that encompass more than one general local purpose

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government, it appears that the special district must seek and obtain approval of the county in which the project is located. Finally, the legislation provides that the special district must include on its Board, as an ex officio member, someone from the general local purpose government in which the project is located. Fire districts, hospital districts and children service council special districts are exempt from the proposed legislation. I will follow up with you about this legislation.

I recently met with Representative Mayfield (R-Vero Beach) who has, in the past, filed legislation affecting special districts. As Chair of the Joint Legislative Auditing Committee, she wrote a letter this past summer in which she suggested that she might file special district legislation to address concerns raised about a special district in Hillsborough County. The issue in Hillsborough County was apparently addressed, and Representative Mayfield signaled that she would not be filing any bills this session affecting special districts.

A list of bills that we are tracking is attached to this report. The list will be supplemented throughout February as more bills are introduced. Some of the bills are not directly related to FIND, but are tracked as possible vehicles for amendments that could be added during the process that could impact the district. For example, Senate bill 326 and House bill 4007 address the general powers of FDEP, and the disposition of surplus land. This broad title could make the bills attractive for amendments. Sometimes, amendments surface late in the legislative process, and are added while the bill is being considered by the full House or Senate. This approach avoids the committee process, and is a way to change a law without having to file a separate bill.

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OTHER ISSUES TO BE CONSIDERED

Among the other issues that the Legislature will likely consider this session are the following:

Ethics Reform: This is a priority of Senate President Don Gaetz (R-Niceville). There is discussion about making it more difficult for government officials to leave office and then lobby.

Election Reform: The long lines at some polling places during the 2012 general election, which many attributed to election law changes passed during the 2012 legislative session, have prompted a loud and bipartisan call for further changes to the state's election law. The likely result of this effort will be to facilitate additional opportunities for early voting.

Pension Reform: The state and business community is interested in imposing restrictions on local government pension funds that some characterize as unsustainable.

Gaming: A hot topic last legislative session, both the House and Senate appear to be studying the issue this session as a precursor to consider comprehensive gaming legislation during the 2014 session. When addressed, the legislation will likely address resort casino destinations, the Seminole gaming compact, internet cafes, and a host of parmutuel issues.

Internet sales tax: The legislative leadership has sent signals of interest in addressing the collection of state sales tax on internet purchases. This complex issue has not been legislatively considered in past sessions, but may be a topic of serious discussion this session.

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POSSIBLE FDEP ISSUES DURING 2013 LEGISLATIVE SESSION

FDEP Secretary Herschel Vinyard recently reorganized the FDEP districts and has centralized certain permitting authority in Tallahassee in an effort to ensure permitting consistency. I also understand that major enforcement actions will be reviewed in detail in Tallahassee before being pursued. These efforts were prompted, in part, by complaints that different districts were applying the same rules and statutes in materially different way, causing uncertainty for a number of regulated communities.

Issues affecting FDEP this legislative session will likely include the following: steps to continue Everglades restoration; consideration of ways in which to address the looming crisis in Apalachicola Bay; monitoring the implementation of the federal numeric nutrient criteria, and possibly a review of water policy. Finally, Representative Jimmy Patronis (R-Panama City), who last year sponsored a regulatory reform package that became law, is looking at again putting forward a bill that focuses further on certain aspects of regulatory reform.

I trust that this information, and the attached bill tracking report is informative and useful. If you have any questions or need further information, please let me know.

Attachment: 2013 FIND Bill Tracking List

Senate

SB 50 by Negron- Public Meetings

- **Public Meetings;** Requiring that a member of the public be given a reasonable opportunity to be heard before a board or commission takes official action on a proposition before a board or commission of any state agency or authority or of any agency or authority of any county, municipal corporation, or political subdivision; providing that the opportunity to be heard is subject to rules or policies adopted by the board or commission; providing that compliance with the requirements of the act is presumed under certain circumstances; authorizing a court to assess reasonable attorney fees in actions filed against a board or commission; providing that any action taken by a board or commission which is found in violation of the act is not void; providing that circuit courts have jurisdiction to issue injunctions for purposes of the act, etc.

11/19/12 Filed
 12/05/12 Referred to Governmental Oversight and Accountability; Appropriations;
 Rules
 01/28/13 On Committee agenda – Transportation, 02/06/13, 3:00 pm, 37 Senate
 Office Building

SB 90 by Smith – State Contracts

- **State Contracts;** Requiring all state contracts of more than a certain amount to require call-center services to be staffed by persons located within the United States, etc.

12/05/12 Filed
 12/06/12 Referred to Commerce and Tourism; Governmental Oversight and
 Accountability; Appropriations Subcommittee on General Government; Appropriations
 01/07/13 On Committee agenda – Commerce and Tourism, 01/15/13, 10:00am, 110
 Senate Office Building
 01/15/13 Favorable by Commerce and Tourism; YEAS 10 NAYS 0
 01/15/13 Now in Governmental Oversight and Accountability

SB 244 by Dean

- **Water Management Districts;** Providing for the adoption of certain reservations and minimum flows and levels by the Department of Environmental Protection; Requiring water management districts to apply, without adopting by Rule, the reservations, minimum flows and levels, and recovery and prevention strategies adopted by the department; requiring a regional water supply authority and the

applicable water management district to jointly develop water supply component of the regional water supply plan, etc.

SB 326 by Hays

- **Powers and Duties of the Department of Environmental Protection;** Removing an obsolete reference for purposes of calculating the reimbursement for transportation and utility crossings of greenways lands in Marion County; repealing a specified provision relating to additional powers and duties of the Department of Environmental Protection to dispose of surplus lands that were for the construction, operation or promotion of a canal across the peninsula of the state and refund payments to counties, etc.

SB 466 by Altman

- **State Lands;** Authorizing individuals and corporations to submit requests to the Board of Trustees of the Internal Improvement Trust Fund to exchange state-owned land for conservation easements over privately held land; providing criteria for consideration of such requests; encouraging certain operations on such lands, etc.

SB 538 by Ring

- **Special Districts;** Requiring public facilities projects of independent special districts with taxing authority to be approved by the appropriate local general-purpose government; requiring a local government representative to serve as an ex officio, nonvoting member of the district, etc.

SB 578 by Clemens

- **Public Construction Projects;** Requiring state agencies to specify certain products associated with public works projects; prohibiting state agencies from excluding the use of certain building rating systems, building codes, or published supplements for certain construction and renovation projects, etc.

SB 584 by Hays

- **Purchase of Land by a Governmental Entity;** Limiting the state, a county, or a municipality's ability to purchase land for conservation purposes, etc.

SB 588 by Brandes

- **Lease of Sovereignty Submerged Lands for Private Docks;** Providing exemptions from lease fees for certain lessees, etc.

House of Representatives

HB 181 by Van Zant

- **Public Works Projects;** Prohibits state & political subdivisions that contract for construction, maintenance, repair, or improvement of public works from imposing certain conditions on certain contractors, subcontractors, material suppliers, or carriers; provides exception; prohibits state & political subdivisions from restricting qualified bidders from submitting bids, being awarded any bid or contract, or performing work on public works project; revises filing requirements for written protests to contract solicitations or awards.

HB 227 by Peters (Compare HB 254, SB 64)

- **Vessels;** Creates Deviny's Law; prohibits person under certain age from operating vessel towing person; prohibits operating vessel towing person within certain distance from stationary structure; provides for exceptions.

HB 4007 by Nelson (Compare SB 326)

- **Department of Environmental Protection;** Repeals provisions relating to power & duties of DEP to dispose of certain surplus lands acquired for construction, operation, or promotion of canal across peninsula of the state & refund payments to counties.

By Senator Ring

29-00281B-13

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A bill to be entitled
An act relating to special districts; creating s.
189.414, F.S.; requiring public facilities projects of
independent special districts with taxing authority to
be approved by the appropriate local general-purpose
government; requiring a local government
representative to serve as an ex officio, nonvoting
member of the district; providing exemptions; amending
s. 189.415, F.S.; conforming provisions to changes
made by the act; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 189.414, Florida Statutes, is created to
read:

189.414 Local government approval of public facilities.-

(1) Notwithstanding any other general or special law,
proposals by an independent special district that has ad valorem
taxing authority to build, improve, or expand public facilities
which require the expenditure of public funds must be approved
by the appropriate local general-purpose government as follows:

(a) All public facilities of a single-county independent
special district must be approved by the county or municipality
in which the district is located or by the local government that
created the district.

(b) Any single-county district that serves an area that
extends beyond the boundaries of one general-purpose local
government must be approved by the county.

(2) Notwithstanding any other general or special law, in

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order to facilitate the public facility expenditure approval process required under this section, a representative of the appropriate local general-purpose government shall be included as an ex officio, nonvoting member of each affected independent special district governing board.

(3) The requirement for local government approval under this section does not apply to special districts for children's services established pursuant to part V of chapter 125, fire control districts established pursuant to chapter 191, and hospital districts created by general law or special act.

Section 2. Paragraph (b) of subsection (2) and subsection (6) of section 189.415, Florida Statutes, are amended to read:

189.415 Special district public facilities report.—

(2) Each independent special district shall submit to each local general-purpose government in which it is located a public facilities report and an annual notice of any changes. The public facilities report shall specify the following information:

(b) A description of each approved public facility the district is building, improving, or expanding, or is currently proposing to build, improve, or expand within at least the next 7 years if approved pursuant to s. 189.414, including any facilities that the district is assisting another entity, except a local general-purpose government, to build, improve, or expand through a lease or other agreement with the district. For each public facility identified, the report must ~~shall~~ describe how the district currently proposes to finance the facility.

(6) For purposes of obtaining local government approval of proposed public facilities and the preparation or revision of

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59 local government comprehensive plans required pursuant to s.
60 163.3161, a special district public facilities report may be
61 used and relied upon by the local general-purpose government or
62 governments within which the special district is located.

63 Section 3. This act shall take effect October 1, 2013.

February 4, 2013

MEMORANDUM

TO: David Roach, Executive Director
Mark Crosley, Assistant Executive Director

FROM: Jim Davenport

SUBJECT: Federal Legislative Report

In January, we reported that Congress approved a last-minute deal temporarily preventing the federal government from going over the "fiscal cliff." That agreement, the *American Taxpayer Relief Act of 2012* (H.R. 8), reduces overall Fiscal Year (FY) 2013 sequestration levels (i.e. across-the-board spending cuts) by \$24 billion. Additionally, the agreement postpones sequestration for two months to March 27, 2013, the same day that funding for the government on the current FY 2013 continuing resolution expires.

Despite this short term reprieve, members of Congress still must continue efforts to solve the sequestration dilemma and finalize FY 2013 spending levels as the March 27th deadline draws near. Complicating matters was news from the U.S. Treasury that the government hit its debt ceiling and would be in danger of default in mid-February, 2013, if an agreement to raise the debt ceiling was not made before then. Accordingly, congress passed a measure providing for a short-term debt limit increase for the next four months. Notably, the bill suspends the nation's debt limit through May 18th, and then automatically increases the current \$16.4 trillion ceiling to accommodate additional debt accumulated.

As a result of congressional consideration of the sequestration and the debt ceiling, work on FY 2013 appropriations legislation has stalled.

We will continue to stay apprised of Appropriations Committee activity on the FY 2013 Energy and Water Appropriations Bill and advocate for the Florida Inland Navigation District's maintenance dredging needs when the Committee moves toward completing appropriations legislation.

In addition, we are in the process of scheduling meetings for the FIND Commissioners with FIND's congressional delegation, the House and Senate Energy and Water

Appropriations Subcommittee staff, and the U.S. Army Corps of Engineers on February 26th and 27th. We will send you an itinerary in a couple weeks.

Please contact me with any questions.

MAINTENANCE DREDGING OF THE INTRACOASTAL WATERWAY (IWW) PROJECT IN FLORIDA

ISSUE: In 2014, maintenance dredging of two areas of the Intracoastal Waterway in Florida is required to maintain its safe navigability. Indian River County Dredging Reach 1, near Sebastian Inlet, has not been dredged in over 30 years (see map page 2). Shoaling has been documented by hydrographic surveys, and areas of the waterway are as shallow as 7 feet within the federal 12-foot channel. The local sponsor (FIND) recently completed construction of the necessary Dredge Material Management Area (IR-2) for this reach, at a 100% local cost of \$3.3 million. This project is estimated to cost \$2.9 million. **Congress is requested to provide 50% cost-share funding of \$1.45 million for this important navigation project.**

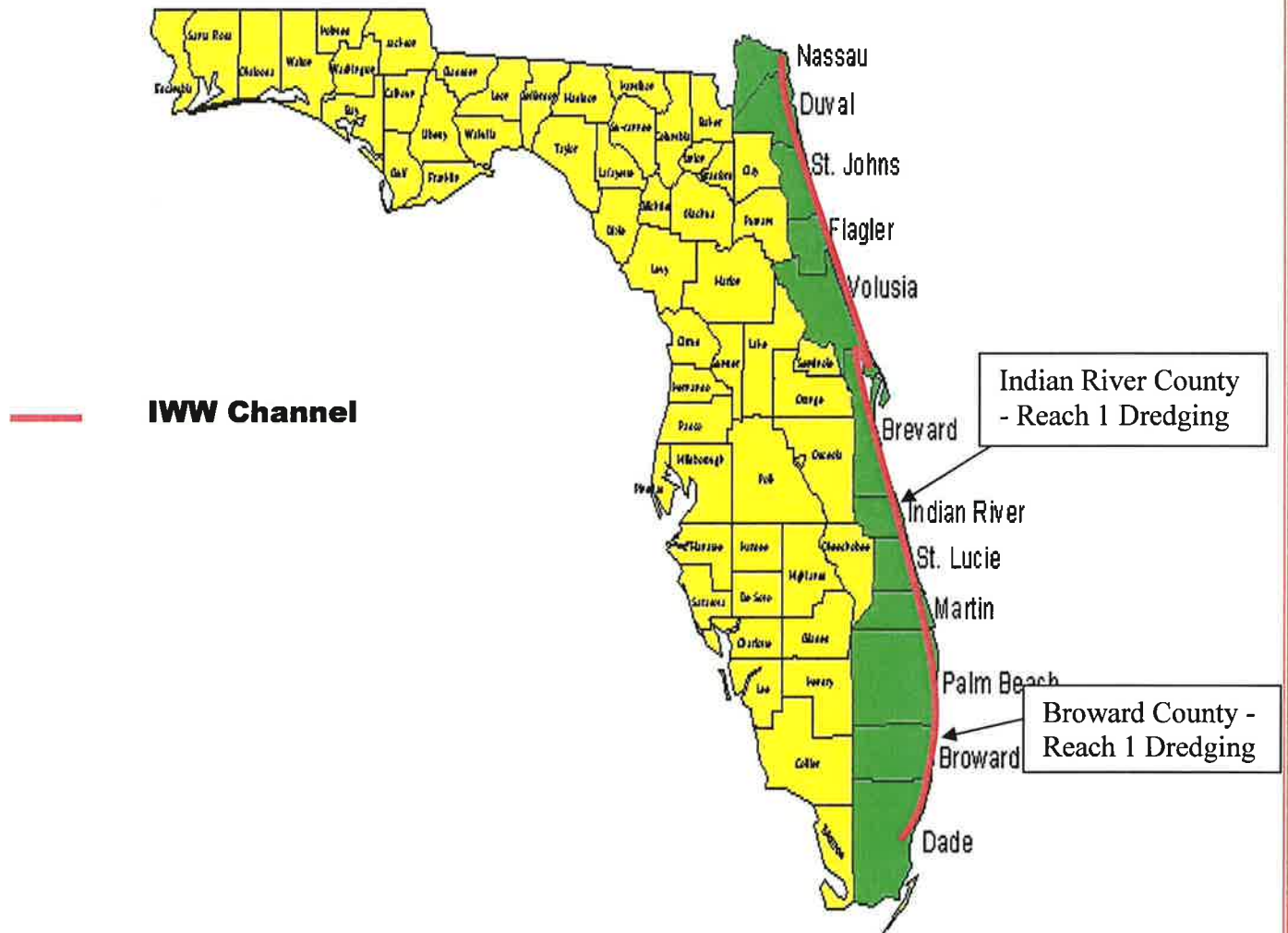
Dredging is necessary to maintain safe navigation in Broward Dredging Reach 1, located near Hillsboro Inlet. Shoaling has been documented by hydrographic surveys, and areas of the waterway are as shallow as 7 feet within the federal 10-foot channel. The FIND has secured the necessary lands to complete this project. The expertise of the USACE is necessary to successfully complete this project. The project cost estimate is \$2.5 million. **Congress is requested to provide 50% cost-share funding of \$1.25 million for this important navigation project.**

BACKGROUND: Operation and maintenance of the Intracoastal Waterway in Florida is a Federal (U.S. Army Corps of Engineers) responsibility. The FIND is required to provide the lands for dredged material management. Inadequate federal funding creates a maintenance back log, decreasing the reliability and safety of the waterway for use by commercial and recreational vessels.

OTHER ISSUES: The local sponsor has provided the lands necessary for project completion.

BENEFITS: The Intracoastal Waterway in Florida annually transports tons of commercial cargo and over 500,000 recreational vessels; provides \$11.9 billion in economic output, which includes \$3 billion in personal wages and 66,631 jobs; generates \$540 million in tax revenues and increases property values by \$19.4 billion. Studies have shown that these benefits would be reduced by 45% if the waterway is not properly maintained.

PROJECT MAP: See next page.



**MAINTENANCE DREDGING OF THE
ATLANTIC INTRACOASTAL WATERWAY (AIWW) PROJECT,
DREDGING REACHS 1 OF NASSAU COUNTY, FLORIDA**

ISSUE: In 2014, maintenance dredging of Dredging Reach 1 of the Atlantic Intracoastal Waterway in Nassau County is required and is anticipated to cost \$2.2 million. Current shoaling as shallow as 5.5 feet in the federal 12-foot channel is causing navigation problems for commercial and larger recreational vessels. Specifically, the fuel barge that transports jet fuel from Jacksonville, Florida to the Navy Air Station in Beaufort, South Carolina on a weekly basis is having transit problems in this waterway area because of shoaling, turning a 1-day trip into a 3-day trip. The local sponsor of the project, the Florida Inland Navigation District (FIND), is willing to provide 50% of the funding for maintenance dredging along with the lands required for the project. **Congress is requested to provide the other 50% funding share, \$1.1 million, for this necessary project.**

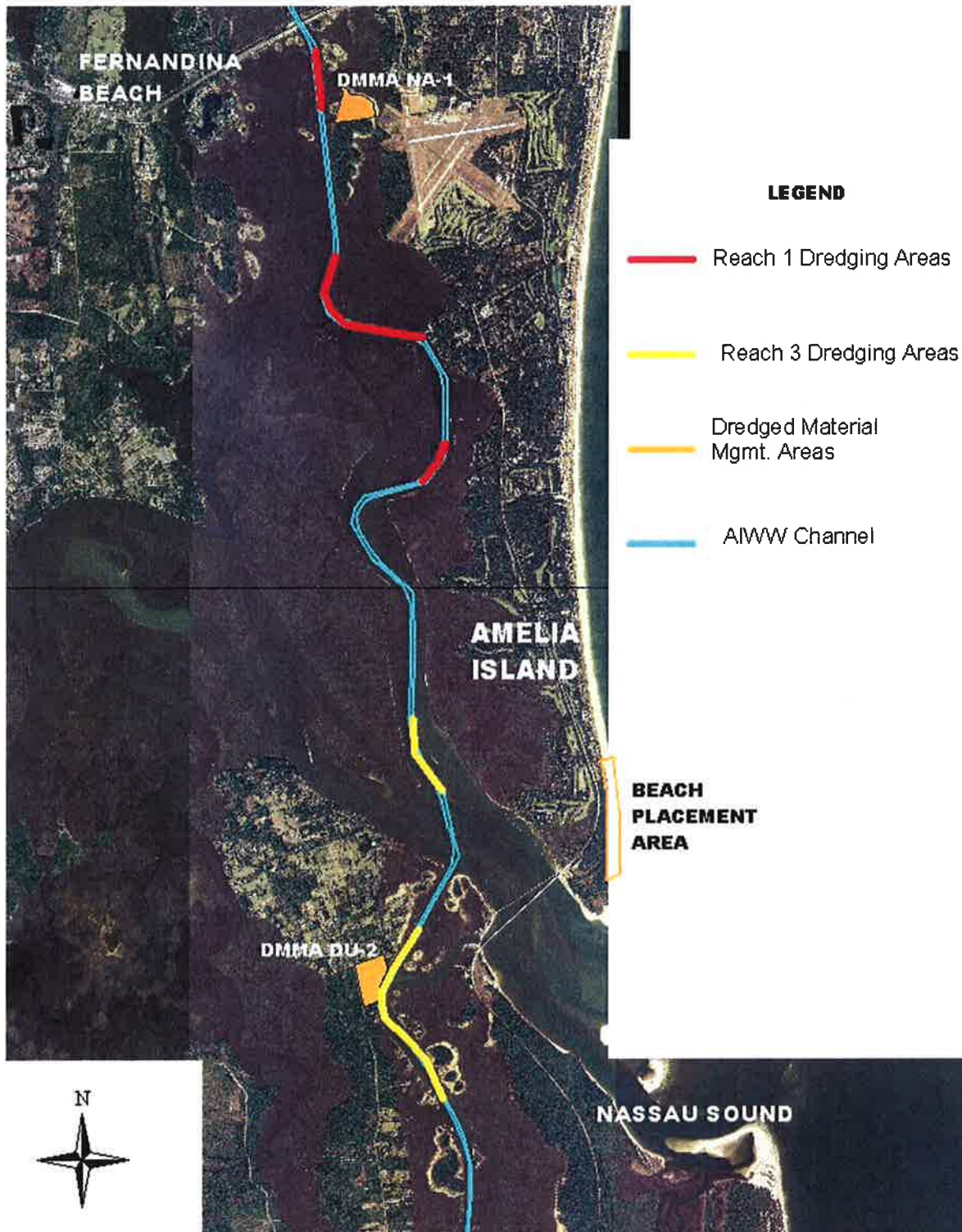
BACKGROUND: Operation and maintenance of the Atlantic Intracoastal Waterway in Florida is a Federal responsibility. The local sponsor is required to provide the lands for dredged material management. Inadequate funding creates a maintenance back log decreasing the reliability and safety of the waterway for use by commercial and recreational vessels.

OTHER ISSUES: The local sponsor has provided the lands for the project. FIND is constructing Dredge Material Management Area (DMMA) NA-1 at a 100% local cost of \$4.2 million.

BENEFITS: The Atlantic Intracoastal Waterway in Florida annually: transports over 184,000 tons of commercial cargo; provides \$1.3 billion in economic output which includes \$300 million in personal wages and 6,504 jobs, generates \$48.6 million in taxes and increases property values by \$250 million. Studies have shown that the economic output would be reduced by \$147 million and 935 jobs would be lost if the waterway is not properly maintained.

PROJECT MAP: See next page.

ATLANTIC INTRACOASTAL WATERWAY PROJECT



MAINTENANCE DREDGING OKEECHOBEE WATERWAY (OWW) PROJECT, FLORIDA

ISSUE: In 2014, construction of Dredge Material Management Area (DMMA) O-7 in Martin County is necessary for maintenance of the Okeechobee Waterway. This project is projected to cost \$3.5 million. The DMMA is necessary and identified in the long-range dredge material management plan to receive material from the Okeechobee Reach IV dredging project. Shoaling has been documented by hydrographic surveys and areas of the waterway are as shallow as 5 feet. This causes severe navigation problems for all size classes of commercial and recreational vessels on the waterway. The local sponsor of the project, the Florida Inland Navigation District (FIND), is willing to provide the lands required for the project and 50% of the project costs. **Congress is requested to provide \$1.75 million (50%) in funding for this necessary project.**

BACKGROUND: Operation and maintenance of the Okeechobee Waterway in Florida is a Federal responsibility. The local sponsor is required to provide the lands for dredged material management. FIND has purchased the land necessary to construct the required DMMA. Federal funding assistance is requested to construct the DMMA containment facility prior to dredging of this reach. The navigation channel has not been maintained for many years.

BENEFITS: The Okeechobee Waterway in Florida annually: transports tons of commercial cargo, has recreation visitation by 6.6 million people and a National Economic Development (NED) value of over \$55 million. The Corps of Engineers has estimated the average annual National Economic Development impact to navigation and recreation through the loss of operation and maintenance activities to be \$22.7 million.

PROJECT MAP: See the next page.

DREDGE MATERAIL MANAGEMENT AREA O-7 and OKEECHOBEE WATERWAY DREDGING REACH IV

