

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition of SANLANDO ) UTILITIES CORPORATION for a ) Docket No. 930256-WS Limited Proceeding to Implement a ) Filed: June 16, 1994 Water Conservation Plan. )

# NOTICE OF SUPPLEMENTAL AUTHORITY

COME NOW, SANLANDO UTILITIES CORPORATION, and INTERVENORS FLORIDA AUDUBON SOCIETY and FRIENDS OF THE WEKIVA RIVER, INC. to provide the Commission with Notice of Supplemental Authority in support of their Motion to Dismiss, filed January 20, 1994 by Sanlando Utilities, and the Motion To Dismiss of Intervenors Florida Audubon Society and Friends of the Wekiva River Inc., filed February 16, 1994, in which the Intervenors joined in support of Sanlando's Motion to Dismiss, and provided their own response to pleadings filed by the Petitioners, and the Citizens Response filed by Public Counsel. In further support of their request that this formal proceeding be dismissed, Sanlando and Intervenors Florida Audubon Society and Friends of the Wekiva River, Inc. State:

1. On May 25, 1994 Governor Lawton Chiles signed into law CS for HB 1305, Chapter 94-243 Laws of Florida (Exhibit 1). This legislation contains amendments to statutory provisions that take effect immediately, and have a direct and dispositive bearing upon the major issues raised by the Petitioners in this proceeding. C'Aulling. Section 1 of Chapter 94-243 contains substantial amendments to Chapter 367, Florida Statutes, providing for special consideration by the Public Service Commission of water reuse Reprojects. Section 367.0817 Florida Statutes is created, Titled "Reuse Projects". This section provides that:

ACK \_

DOCUMENT NUMBER -DATE 05940 JUN 16 # FPSC-RECORDS/REPORTING

The Legislature finds that reuse benefits water, wastewater, and reuse customers. The commission shall allow a utility to recover the costs of a reuse project from the utility's water, wastewater, or reuse customers or any combination thereof as deemed appropriate by the commission.

The new statutory provisions further state that:

The Commission's order approving the reuse project plan shall approve rates based on projected costs and shall provide for the implementation of rates without the need for a subsequent proceeding. The commission shall allow the approved rates to be implemented when the reuse project plan is approved or when the project is placed in service. If the commission allows the rates to be implemented when the plan is approved, the commission may order the utility to escrow the resulting revenues until the project is placed in service. Escrowed revenues shall be used exclusively for the reuse project. (Emphasis added)

In essence, what the legislature has done is to clearly write into law the procedures followed and the considerations applied by the Commission, when it issued Order No. PSC-93-1771-FOF-WS on November 8, 1993 in the instant case. The Legislature has expressly approved the prior collection of funds and the escrow of these funds for subsequent construction of reuse systems.

3. The only specific disputed issue stated in the Petitions filed by the parties that challenge the Commission's Order in this cause is an objection to "...taxes being paid indirectly by Sanlando's customers...". The Legislature has settled this issue as a matter of policy, by including taxes in the allowable costs of reuse projects. Section 367.0817 (1) (e) now provides:

As used in this section, the term "costs" includes, but is not limited to , all capital investments, including a rate of return, <u>any applicable taxes</u>, and all expenses related to or resulting from the reuse project which were not considered in the utility's last rate proceeding.

4. At the time Petitioners initiated this proceeding, the merits of the Commission's Order were, at least arguably, in a fairly debatable posture. The development of a record through the formal hearing process would have served the purpose of facilitating an appeal to test the appropriateness of the funding proposal advanced by Sanlando in its request for a Limited Proceeding to Implement a Water Conservation Plan. Now the Legislature has essentially written the elements of Sanlando's proposal that were in dispute into law, and has obviated the usefulness of a formal proceeding.

5. Section 367.0817 (2) Florida Statutes, which is immediately effective, provides in pertinent part that:

If the commission's proposed action is protested, the final decision shall be rendered by the commission within 8 months of the date the protest is filed.

Under this new time constraint, the schedule for completion of this hearing would have to be substantially expedited so that the Commission's Final Order is entered on or before September 3, 1994.

WHEREFORE, Sanlando Utilities Corporation, and Intervenors, Florida Audubon Society and Friends of the Wekiva River, Inc. maintain that, particularly in light of the additional authority provided by Chapter 94-243 Laws of Florida, the Petitions filed in this matter should be dismissed by the Commission.

Respectfully submitted this  $5^{17}$  day of June, 1994.

CLEATOUS J. SIMMONS, ESQ. Florida Bar No.:0240737 LOWNDES, DROSDICK, DOSTER, KANTOR & REED, PROFESSIONAL ASSOCIATION 215 N. Eola Dr. Post Office Box 2809 Orlando, F1. 32802-2809 (407) 843-4600

CHARLES LEE Sr. Vice President Florida Audubon Society (Representative of Florida Audubon Society and Friends of The Wekiva River, Inc.) 460 Highway 436 Suite 200 Casselberry, Fl. 32707 (407) 260-8300

# CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original and fifteen (15) copies of the foregoing Notice of Supplemental Authority has been filed with the Division of Records and Reporting, Florida Public Service Commission, and one (1) true and correct copy has been provided by United States Mail this 167% day of June, 1994 to the following parties of record: Nancy B. Barnard, Esq. Jennifer L. Burdick, Esq. ST. Johns River Water Management District P.O.B. 1429 Palatka, Fl. 32178-1429

Kathy Biddell Florida Public Service Commission 101 E. Gaines St. Tallahassee, Fl. 32399

Maggie O'Sullivan, Esq. Division of Legal Services Florida Public Service Commission 101 E. Gaines St. Tallahassee, Fl. 32399

Jack Shreve, Public Counsel Stephen C. Reilly, Associate Public Counsel 111 West Madison St., Room 812 Tallahassee, Fl. 32399-1400

Robert L. Taylor, Esq. 1900 Summit Tower Blvd., Suite 800 Orlando, Fl. 32108

Tricia A. Madden, Esq. 108 Beaufort Dr. Longwood, Fl. 32779

Robert E. Swett 106 Wyndham Court Longwood, Fl. 32779

Jack Hiatt 1816 Wingfield Dr. Longwood, Fl. 32779

Respectfully Submitted,

CHARLES LEE Sr. Vice President Florida Audubon Society (Representative of Florida Audubon Society and Friends of the Wekiva River, Inc.) 460 Highway 436, Suite 200 Casselberry, Fl. 32707 (407) 260-8300

#### EXHIBIT 1

1994 Legislature

CS/HB 1305, 3rd Engrossed

1 An act relating to water and wastewater 3 systems; creating s. 367.0817, F.S.; providing 4 for water reuse projects to be approved by the 5 Public Service Commission; providing that prudent and reasonable costs of reuse shall be 7 recovered in rates approved by the commission; 8 providing for escrow of revenues attributed to 9 such rates, subject to refund; providing for 10 true-up of reuse costs and such rates; creating 11 s. 373.250, F.S.; providing for the 12 encouragement of reuse of reclaimed water; 13 providing a definition; requiring the water 14 management districts to adopt rules to allocate 15 reclaimed water and to provide for emergency 16 situations; providing for application; amending 17 s. 403.064, F.S.; providing requirements for the use of reclaimed water; providing permit 18 19 requirements for wastewater treatment 20 facilities in water resource caution areas; 21 providing for feasibility studies for reuse of 22 reclaimed water; providing that permits issued 23 by the Department of Environmental Protection 24 for domestic wastewater treatment facilities 25 must be consistent with requirements for reuse 26 in applicable consumptive use permits; limiting 27 disposal of effluent by deep well injection; 28 amending s. 403.1838, F.S.; expanding the scope 29 of the Small Community Sewer Construction 30 Assistance Act; authorizing grants by the 31 Department of Environmental Protection to 1

ENROLLED

#### 1994 Legislature

1	financially disadvantaged small communities in		
2	accordance with rules adopted by the		
3	Environmental Regulation Commission;		
4	prescribing criteria for the commission's		
5	rules; requiring the department to review each		
6	grant; providing for grant funds to be used to		
7	pay the costs of program administration;		
8	providing for a continuation of current		
9	department rules for grants previously awarded;		
10	authorizing the Department of Enviromental		
11	Protection to expend federal drinking water		
12	funds to make grants and loans; directing the		
13	Department of Environmental Protection to		
14	report on the status of any federally		
15	authorized drinking water state revolving fund		
16	program; providing an effective date.		
17			
18	Be It Enacted by the Legislature of the State of Florida:		
19			
20	Section 1. Section 367.0817, Florida Statutes, is		
21	created to read as follows:		
22	367.0817 Reuse Projects		
23	(1) A utility may submit a reuse project plan for		
24	commission approval. A reuse project plan shall include:		
25	(a) A description of the project and other effluent		
26	disposal options considered by the utility.		
27	(b) Copies of the pertinent Department of		
28	Environmental Protection and water management district permit		
29	applications filed or, in lieu thereof, a statement of the		
30	project's permit status.		
31			

CODING: Words stricken are deletions; words underlined are additions.

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1994 Legislature

(c) <u>A statement that the reuse project is required or</u>
 <u>recommended pursuant to section 403.064</u>, Florida Statutes, or
 <u>other relevant authority</u>.

4 (d) The number and identity of the project's proposed
5 reuse customer(s) and copies of written agreements, if any,
6 between the utility and the customer(s) regarding the project.

7 (e) The projected costs associated with the reuse 8 project. As used in this section, the term "costs" includes, 9 but is not limited to, all capital investments, including a 10 rate of return, any applicable taxes, and all expenses related 11 to or resulting from the reuse project which were not

12 considered in the utility's last rate proceeding.

13 (f) The utility's proposal for recovering the 14 project's costs through rates.

15 (g) A proposed in-service schedule for the project.
 (h) Any other information the commission may require
 17 pursuant to rule.

18 (2) The commission shall review the utility's reuse 19 project plan and shall determine whether the projected costs 20 are prudent and the proposed rates are reasonable and in the 21 public interest. The commission shall issue a proposed agency 22 action order to approve or disapprove the utility's reuse 23 project plan, The commission shall enter its vote on the 24 proposed agency action within 5 months of the date of filing. 25 If the commission's proposed action is protested, the final 26 decision shall be rendered by the commission within 8 months 27 of the date the protest is filed. 28 (3) All prudent costs of a reuse project shall be recovered in rates. The Legislature finds that reuse benefits 29

30 water, wastewater, and reuse customers. The commission shall

31 allow a utility to recover the costs of a reuse project from

#### ENROLLED

#### 1994 Legislature

CS/HB 1305, 3rd Engrossed

1	the utility's water, wastewater, or reuse customers or any			
2	combination thereof as deemed appropriate by the commission.			
3	(4) The commission's order approving the reuse project			
4	plan shall approve rates based on projected costs and shall			
5	provide for the implementation of rates without the need for a			
6	subsequent proceeding. The commission shall allow the			
7	approved rates to be implemented when the reuse project plan			
8	is approved or when the project is placed in service. If the			
9	commission allows the rates to be implemented when the plan is			
10	approved, the commission may order the utility to escrow the			
11	resulting revenues until the project is placed in service.			
12	Escrowed revenues shall be used exclusively for the reuse			
13	project,			
14	(5) If the commission allows the rates to be			
15	implemented when the plan is approved, the utililty may place			
16	its proposed rates into effect on a temporary basis, subject			
17	to refund, in the event of a protest by a party other than the			
18	utility. If the utility has requested rate implementation			
19	upon approval of the plan and the commission has exceeded the			
20	time allowed in subsection (2), the utility may place its			
21	proposed rates into effect on a temporary basis, subject to			
22	<u>refund</u>			
23	(6) After the reuse project is placed in service, the			
24	commission, by petition or on its own motion, may initiate a			
25	proceeding to true-up the costs of the reuse project and the			
26	resulting rates.			
27	Section 2. Section 373.250, Florida Statutes, is			
28	created to read:			
29	373,250 Reuse of reclaimed water			
30	(1) The encouragement and promotion of water			
31	conservation and reuse of reclaimed water, as defined by the			
4				

1994 Legislature

1 department, are state objectives and considered to be in the 21 public interest. The Legislature finds that the use of 3 reclaimed water provided by domestic wastewater treatment plants permitted and operated under a reuse program approved by the department is environmentally acceptable and not a 5 threat to public health and safety. 6 (2)(a) For purposes of this section, "uncommitted" 7 8 means the average amount of reclaimed water produced during 9 the three lowest-flow months minus the amount of reclaimed 10 water that a reclaimed water provider is contractually 11 obligated to provide to a customer or user. 12 (b) Reclaimed water may be presumed available to a 13 consumptive use permit applicant when a utility exists which 14 provides reclaimed water, which has uncommitted reclaimed 15 water capacity, and which has distribution facilities, which 16 are initially provided by the utility at its cost, to the site of the affected applicant's proposed use, 17 18 (3) The water management district shall, in 19 consultation with the department, adopt rules to implement 20 this section. Such rules shall include, but not be limited 21 to: 22 (a) Provisions to permit use of water from other 23 sources in emergency situations or if reclaimed water becomes unavailable, for the duration of the emergency or the 24 25 unavailability of reclaimed water. These provisions shall 26 also specify the method for establishing the quantity of water 27 to be set aside for use in emergencies or when reclaimed water 28 becomes unavailable. The amount set aside is subject to periodic review and revision. The methodology shall take into 29 30 account the risk that reclaimed water may not be available in 31 the future, the risk that other sources may be fully allocated 5

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

## 1994 Legislature

1 to other uses in the future, the nature of the uses served 2 with reclaimed water, the extent to which the applicant intends to rely upon reclaimed water and the extent of 3 economic harm which may result if other sources are not 4 available to replace the reclaimed water. It is the intent of 5 this paragraph to ensure that users of reclaimed water have 6 the same access to ground or surface water and will otherwise 7 8 be treated in the same manner as other users of the same class 9 not relying on reclaimed water. 10 (b) A water management district shall not adopt any rule which gives preference to users within any class of use 11 established under s. 373,246 who do not use reclaimed water 12 13 over users within the same class who use reclaimed water. (4) Nothing in this section shall impair a water 14 management district's authority to plan for and regulate 15 consumptive uses of water under this chapter. 16 17 (5) This section applies to new consumptive use 18 permits and renewals of existing consumptive use permits, 19 (6) Each water management district shall submit to the 20 Legislature, by January 30 of each year, an annual report 21 which describes the district's progress in promoting the reuse 22 of reclaimed water. The report shall include, but not be 23 limited to: (a) The number of permits issued during the year which 24 25 required reuse of reclaimed water and, by categoring, the 26 percentages of reuse required. (b) The number of permits issued during the year which 27 28 did not require the reuse of reclaimed water and, of those 29 permits, the number which reasonably could have required 30 reuse. 31 6

1994 Legislature

(c) In the second and subsequent annual reports, a 2 statistical comparison of reuse required through consumptive 3 use permitting between the current and preceding years. (d) A comparison of the volume of reclaimed water available in the district to the volume of reclaimed water 5 required to be reused through consumptive use permits. 6 (e) A comparison of the volume of reuse of reclaimed water required in water resource caution areas through consumptive use permitting to the volume required in other areas in the district through consumptive use permitting, 10 11 (f) An explanation of the factors the district 12 considered when determining how much, if any, reuse of 13 reclaimed water to require through consumptive use permitting, (g) A description of the district's efforts to work in 14 cooperation with local government and private domestic 15 wastewater treatment facilities to increase the reuse of 16 reclaimed water. The districts, in consultation with the 17 department, shall devise a uniform format for the report 18 19 required by this subsection and for presenting the information 20 provided in the report. 21 Section 3. Section 403.064, Florida Statutes, is amended to read: 22 403.064 Reuse of reclaimed water .--23 24 (1) The encouragement and promotion of water 25 conservation, and reuse of reclaimed water, as defined by the 26 department, are state objectives and are considered to be in 27 the public interest. The Legislature finds that for those 28 wastewater treatment plants permitted and operated under an

30 shall be considered environmentally acceptable and not a

29 approved reuse program by the department, the reclaimed water

31 threat to public health and safety.

7

## ENROLLED

#### 1994 Legislature

1 (2) After-January-1;-1992; All applicants for permits 2 to construct or operate a domestic wastewater treatment 3 facility located within, serving a population located within, or discharging within in a critical water resource caution 5 supply area shall prepare a reuse feasibility study evaluate the-costs-and-benefits-of-reuse-of-reclaimed-water as part of 6 71 their application for the permit. Reuse feasibility studies shall be prepared in accordance with department guidelines 8 adopted by rule and shall include, but are not limited to: 9 10 (a) Evaluation of monetary costs and benefits for 11 several levels and types of reuse. 12 (b) Evaluation of water savings if reuse is 13 implemented, 14 (c) Evaluation of rates and fees necessary to 15 implement reuse, 16 (d) Evaluation of environmental and water resource 17 benefits associated with reuse. 18 (e) Evaluation of economic, environmental, and 19 technical constraints. 20 (f) A schedule for implementation of reuse. The 21 schedule shall consider phased implementation. 22 (3) The study required under subsection (2) evaluation 23 shall be performed by the applicant, and the applicant's 24 determination of feasibility is evaluation-shall-be final if 25 the study complies with the requirements of subsection (2). 26 (4)(3) A reuse feasibility study is not required if: 27 (a) The domestic wastewater treatment facility has an 28 existing or proposed permitted or design capacity less than 29 0,1 million gallons per day; or 30 (b) The permitted reuse capacity equals or exceeds the 31 total permitted capacity of the domestic wastewater treatment 8

31

1994 Legislature

1 facility. The-requirements-of-this-section-for-such 2 evaluation-shall-apply-to-domestic-wastewater-treatment 3 facilities-located-within;-serving-a-population-located 4 within;-or-discharging-within-critical-water-supply-problem 5 areas;

6 (5) A reuse feasibility study prepared under
7 subsection (2) satisfies a water management district
8 requirement to conduct a reuse feasibility study imposed on a
9 local government or utility that has responsibility for
10 wastewater management.

11 (6) Local governments may allow the use of reclaimed 12 water for inside activities, including, but not limited to, 13 toilet flushing, fire protection, and decorative water 14 features, as well as for outdoor uses, provided the reclaimed 15 water is from domestic wastewater treatment facilities which 16 are permitted, constructed, and operated in accordance with 17 department rules.

18 (7) Permits issued by the department for domestic wastewater treatment facilities shall be consistent with 19 requirements for reuse included in applicable consumptive use 20 permits issued by the water management district, if such 21 22 requirements are consistent with department rules governing reuse of reclaimed water. This subsection applies only to 23 domestic wastewater treatment facilities which are located 24 within, or serve a population located within, or discharge 25 within water resource caution areas and are owned, operated, 26 27 or controlled by a local government or utility which has responsibility for water supply and wastewater management. 28 (8)(4) Local governments may and are encouraged to 29 30 implement programs for the reuse of reclaimed water. Nothing

9

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

## 1994 Legislature

1 in this chapter shall be construed to prohibit or preempt such
2 local reuse programs.

3 (9) (5) A local government that implements a reuse
4 program under this section shall be allowed to allocate the
5 costs in a reasonable manner.

6 (10)(6) Pursuant to chapter 367, the Florida Public
7 Service Commission shall allow entities <u>under its jurisdiction</u>
8 which <u>conduct studies or implement reuse projects, including</u>
9 <u>but not limited to, any study required by s. 403.064(2) or</u>
10 <u>facilities used for reliability purposes for a reclaimed water</u>
11 <u>reuse system</u>, to recover the full, <u>prudently incurred</u> cost of
12 such <u>studies and</u> facilities through their rate structure.
13 (11)(7) In issuing consumptive use permits, the

14 permitting agency shall <u>consider</u> take-into-consideration the 15 local reuse program.

16 (12)(8) A local government shall require a developer,
17 as a condition for obtaining a development order, to comply
18 with the local reuse program.

19 (13) If, after conducting a feasibility study under
20 subsection (2), an applicant determines that reuse of
21 reclaimed water is feasible, domestic wastewater treatment,
22 facilities that dispose of effluent by Class I deep well
23 injection, as defined in 40 C.F.R. Part 144,6(a), must
24 implement reuse according to the schedule for implementation
25 contained in the study conducted under subsection (2), to the
26 degree that reuse is determined feasible. Applicable permits
27 issued by the department shall be consistent with the

28 requirements of this subsection.

29 (a) This subsection does not limit the use of a Class
30 I deep well injection facility as backup for a reclaimed water
31 reuse system.

10

1994 Legislature

(b) This subsection applies only to domestic 11 2 wastewater treatment facilities located within, serving a population located within, or discharging within a water 3 resource caution area. Section 4. Section 403.1838, Florida Statutes, is amended to read: 403,1838 Small Community Sewer Construction Assistance 8 Act. --(1) This section may be cited as the "Small Community Sewer Construction Assistance Act." 10 11 (2)(a) There is established within the Department of 12 Environmental Protection Regulation the Small Community Sewer Construction Assistance Trust Fund. 13 14 (b) The department shall use the funds shall-be-used 15 by-the-department to assist financially disadvantaged small communities with their needs for adequate sewer facilities. 16 17 For purposes of this section, the term "financially disadvantaged small community" means a an-incorporated 18 19 municipality with a population of 7,500 35,000 or less, 20 according to the latest decennial census and a per capita 21 annual income less than the state per capita annual income as 22 determined by the United States Department of Commerce. 23 (3)(a) In accordance with rules adopted by the Environmental Regulation Commission under this section, the 24 department may provide grants from the Small Community Sewer 25 Construction Trust Fund to financially disadvantaged small 26 27 communities for up to 100 percent of the costs of planning, designing, constructing, upgrading, or replacing wastewater 28 collection, transmission, treatment, disposal, and reuse 29 30 facilities, including necessary legal and administrative 31 expenses. Grants-shall-be-made-from-the-Small-Community-Sewer 11

## ENROLLED

#### 1994 Legislature

CS/HB 1305, 3rd Engrossed

1 Construction-Assistance-Trust-Fund-in-accordance-with-rules adopted-by-the-Environmental-Regulation-Commission---The 3 department-may-grant-up-to-\$3-million-to-any-small-community. (b) The rules of the Environmental Regulation Commission must: 1. Require that projects to plan, design, construct, upgrade, or replace wastewater collection, transmission, treatment, disposal, and reuse facilities be cost-effective, environmentally sound, permittable, and implementable. 2. Require appropriate user charges, connection fees, 10 and other charges sufficient to ensure the long-term 11 operation, maintenance, and replacement of the facilities 12 13 constructed under each grant. 3. Require grant applications to be submitted on 14 15 appropriate forms with appropriate supporting documentation, and require records to be maintained. 16 17 4. Establish a system to determine eligibility of grant applications. 18 19 5. Establish a system to determine the relative 20 priority of grant applications. The system must consider 21 public health protection and water pollution abatement, 22 6. Establish requirements for competitive procurement 23 of engineering and construction services, materials, and 24 equipment, 7. Provide for termination of grants when program 25 requirements are not met. 26 27 (c) The department must perform adequate overview of 28 each grant, including technical review, regular inspections, 29 disbursement approvals, and auditing, to successfully 30 implement this section. 31

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1994 Legislature

1(d) The department may use up to 2 percent of the2grant funds made available each year for the costs of program3administration.

(e) Any grant awarded before July 1, 1994, under this
section, remains subject to the applicable department rules in
existence on June 30, 1993, until all rule requirements have
been met.

64)--The-Environmental-Regulation-Commission-shall:
 (a)--Require-a-45-percent-nonstate-match;-except-that;
 for-a-grant-of-less-than-\$50;000;-the-commission-may-waive-all
 or-a-part-of-the-matching-requirement:

 12
 1--Where-water-quality-standards-have-been-exceeded-by

 13
 an-amount-that-constitutes-an-immediate-health-hazard;-or

14 2:--In-a-community-where-the-gross-per-capita-income-is below-the-state-average;-as-determined-by-the-United-States Bepartment-of-Commerce;-and-where-sewer-systems-have-failed-to 17 meet-department-standards;

18 (b)--Require-appropriate-user-charges-and-connection 19 fees-sufficient-to-ensure-the-long-term-operation-and 20 maintenance-of-the-facility-to-be-constructed-under-any-grant-

21 (c)--Require-compliance-with-all-water-quality
22 standards:

23 (d)--Establish-a-system-to-determine-eligibility-and
24 relative-priority-for-applications-for-grants-by-small
25 communities:

(e)--Require-applications-for-grants-to-be-submitted-on
appropriate-forms-with-appropriate-supporting-documentation;
require-construction-to-be-in-accordance-with-plans-approved
by-the-department;-and-require-recordkeeping;

30(5)--Any-project-satisfactorily-planned-and-designed-in31accordance-with-the-requirements-of-the-United-States

13

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

## ENROLLED

#### 1994 Legislature

CS/HB 1305, 3rd Engrossed

1 Environmental-Protection-Agency-is-eligible-for-funding-under 2 this-act;

3 (6)--A-grant-may-not-be-made-unless-the-local 4 governmental-agency-assures-the-department-of-the-proper-and efficient-operation-and-maintenance-of-the-project-after 5 construction -- Revenue-sufficient-to-ensure-that-the-facility 6 7 will-be-self-supporting-shall-be-generated-from-sources-which 8 include -- but-are-not-limited-to--service-charges-and q connection-fees---The-revenue-generated-shall-provide-for 10 financing-future-sanitary-sewerage-capital-improvements---The 11 grantee-shall-accumulate,-during-the-design-life-of-the-grant-12 funded-project,-moneys-in-an-amount-equivalent-to-the-grant 13 amount-adjusted-for-inflationary-cost-increases. 14 (7) -- Any-local-government-agency-which-receives 15 assistance-under-this-section-shall-keep-such-records-as-the 16 department-prescribes;-including-records-which-fully-disclose 17 the amount and disposition by the recipient of the proceeds of 18 such-assistance; the total cost of the project; the amount of 19 that-portion-of-the-project-supplied-by-other-sources-and 20 such-other-records-as-will-facilitate-effective-audit---The 21 department-and-the-Auditor-General-or-any-of-their-duly 22 authorized-representatives-shall-have-access;-for-the-purpose 23 of-audit-and-examination;-to-any-books;-documents;-papers;-and 24 records-of-the-recipient-that-are-pertinent-to-grants-received 25 under-this-section---Upon-project-completion-the-local 26 government-agency-shall-submit-to-the-department-c-separate 27 audit;-by-an-independent-certified-public-accountant;-of-the 28 grant-expenditures. 29 Section 5. (1) If federal funds become available for 30 a drinking water state revolving loan fund, the Department of 31 Environmental Protection may use the funds to make grants and

14

## 1994 Legislature

	loans to the owners of public water systems, as defined in s.	1	
2	403.852(2), and as otherwise authorized by the law making the	2	
3	funds available. The department may adopt rules necessary to	3	
4	satisfy requirements to receive these federal funds and to	4	
5	carry out the provisions of this subsection. The rules shall	. 5	
6	include, but not be limited to, a priority system based on	6	
7	public health considerations, system type, and population	7	
8	served; requirements for proper system operation and	8	
9	maintenance; and, where applicable, consideration of ability	9	
10	to repay loans.	10	
11	(2) The department shall, by January 1, 1995, report	11	
12	to the Legislature the status of any drinking water state	12	
13	revolving fund program authorized by federal law and shall	13	
14	include in the report recommendations as to appropriate and	14	
15	necessary statutory changes to govern its implementation.	- 15	
16	Section 6. This act shall take effect upon becoming a	16	
17	law.	17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25	· · · · · · · · · · · · · · · · · · ·	25	
26		26	
27		27	
28		28	
29		29	
30		30	
31		31	
i.	15	1	

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

.