

MEMORANDUM

TO: Governing Board Members

FROM: Deena Reppen, Deputy Executive Director, Regulatory & Public Affairs

DATE: January 14, 2010

SUBJECT: Authorize entering into an Alternative Water Supply Agreement with the City of Miramar in an amount not to exceed \$190,500.

Background: The 2005 Florida Legislature authorized annually-recurring funding for alternative water supply development through the Water Protection and Sustainability Program. Procedural requirements for this program state Districts must encumber these funds within 19 months of approval. Unspent encumbered and unused funds must be certified forward or reallocated to allow the District to retain these funds.

To meet the District's match requirements in the Water Protection and Sustainability Program, reallocating of unallocated and unspent Fiscal Year 2009 budgeted funds totaling \$190,500 is necessary. The funding will be reallocated from specific projects as identified in the attached exhibits. Exhibit B reflects one project that was under budget and a re-budgeted amount which resulted in unused funds or encumbered and unspent funds totaling \$95,250 at the end of Fiscal Year 2009. Exhibit C reflects two projects that were under budget and a re-budgeted amount which resulted in unused funds or encumbered and unspent funds totaling \$290,050 at the end of Fiscal Year 2009.

This authorization will provide continued funding support to the City of Miramar's construction of a 2.5 MGD Floridan Aquifer supply and reverse osmosis treatment system to meet their future water needs and diversify their supply sources. This is the final year of construction of this multi-year project.

How this helps meet the District's 10-Year Strategic Plan: The recommended action supports the Water Supply Program strategy to provide financial incentives for water suppliers and users to develop alternative water sources.

Funding Source: The resolution certifies forward and reallocates previously budgeted funding.

This Board item impacts what areas of the District, both resource areas and geography: The Water Supply Management Department is overseeing this process in cooperation with the Procurement Department, Finance and Administration Department and Office of Counsel and Regional Service Centers.

What concerns could this Board item raise? If this item is not approved, the unused State funds will revert back into the Water Protection and Sustainability Program Trust Fund.

Why should the Governing Board approve this item? The funding award will further diversification of water supply sources in the Lower East Coast Region through development of the Floridan Aquifer and reverse osmosis consistent with the Lower East Coast Regional Water Supply Plan.

DR/me
Attachment – Resolution, Exhibit A, Exhibit B, & Exhibit C