

MEMORANDUM

TO: Governing Board Members

FROM: Kenneth G. Ammon, P.E., Deputy Executive Director, Everglades Restoration and Capital Projects Resource Area

DATE: December 1, 2009

SUBJECT: Budget Transfer for CERP Picayune Strand Restoration Project

Background

A budget transfer totaling \$2,000,000 is proposed to support the following District effort that was not funded in the FY10 budget:

An FY10 budget transfer in the total amount of \$2,000,000 in CERP ad valorem funds from managerial reserves within the C-111 Spreader Canal CERP Project to the Everglades Restoration and Capital Projects Resource Area for the Picayune Strand Restoration CERP Project remediation activities.

Approximately 68.5 acres of formerly agricultural land in the Picayune Strand Restoration Project's Southern Golden Gate Estates and Belle Meade areas were impacted above the cleanup level that the District had negotiated with the U.S Fish and Wildlife Service (USFWS). Approximately 38.5 acres of chlordane-impacted soil existed on the Southern Golden Gate Estates property and 30 acres on the Belle Meade property. Chlordane can negatively impact protected wading birds at the known concentrations due to bioaccumulation and, therefore, was identified for remediation to ensure compliance with the Threatened and Endangered Species Act.

Between March and June 2007, approximately 28 acres of this soil was remediated. Now, the remaining 40.5 acres of chlordane-impacted soil needs to be remediated over the next several months to facilitate the certification of lands to the U.S. Army Corps of Engineers (USACE) for construction of the project's Faka Union pump station and continued road removal efforts. The remediation for chlordane is fully permitted and will be completed by April 2010.

In addition, an unofficial target range gun site within the project boundary was identified, resulting in soil contamination by lead and used ammunition as well as debris composed of car wrecks, trailers, drums and washing machines. The impacted soils and on-site solid waste debris will have to be removed.

The Faka Union Pump Station construction and Phase 3 of the road removal effort will be performed by the USACE. The construction is scheduled to begin in September 2010, with the bid documents being released for response in April 2010. In order to

release the bid documents, the lands needed for construction will have to be certified to the USACE by the District in April 2010, which requires that all remediation be complete by April 2010.

How this helps meet the District's 10-year Strategic Plan:

A budget transfer will redirect budget authority to support the completion of the Picayune Strand Restoration Project, which is linked to the 10-Year Strategic Plan. Approximately six months ago, the USACE indicated that it intended to move up the construction schedule for the Faka Union Pump Station and combine Phase 3 and 4 of the road removal. As such, the required budget and milestones were not included in the District's FY10 Annual Work Plan.

Funding Source:

The budget transfer involves transferring \$2,000,000 of FY10 CERP ad valorem funds from managerial reserves within the C-111 Spreader Canal CERP Project to the Everglades Restoration and Capital Projects Resource Area for the Picayune Strand Restoration CERP Project remediation activities.

Managerial reserves of CERP ad valorem funds became available in the C-111 Spreader Canal CERP Project when construction contracts for the Frog Pond, pump station and Aerojet project components of the C-111 project were awarded at lower than budgeted estimates.

This Board item impacts what areas of the District, both resource areas and geography:

The Everglades Restoration and Capital Projects Resource Area staff will be managing the project, which is located in Collier County.

What concerns could this Board item raise?

There may be concerns about other unidentified needs associated with implementation of the USACE-led CERP projects that may require unbudgeted District funds.

Why should the Governing Board approve this item?

In accordance with the District's budgetary and financial control policy, any transfer of budget authority that exceeds the non-capital threshold of \$150,000 and the capital threshold of \$500,000 requires Governing Board approval. Approval of the requested funding transfer will allow the District to complete certification of lands associated with the construction of the Faka Union Pump Station and Phase 3 road removal for the Picayune Strand Restoration Project.