



# Santa Rosa County Local RESTORE Council Meeting July 8, 2013

“Leveraging the Future, Together..... Responsibly”



# Today's Agenda

- **RESTORE Reference Guide - Handout**
- **Status of Federal Trial**
- **Status of Department of Treasury Guidelines**
- **Council “Draft” Plan Summary**
- **Gulf Consortium Update (23 Counties)**
- **Quick Overview of RESTORE Funding – Civil and Criminal Fines**
- **National Fish and Wildlife Foundation Funds**
- **NRDA funds**
- **Pensacola Bay Watershed Projects**
- **Project Criteria Development**

# **RESTORE Reference Guide - Handout**

- **Copy of RESTORE Act**
- **Council “Draft” Plan**
- **Consortium MOU with Governor**
- **Ocean Conservancy – Civil and Criminal Fine Chart**
- **List of projects submitted to Santa Rosa County for funding consideration**
- **Pensacola Bay Watershed Map with projects**
- **Minutes of past council meeting**

# Status of Federal Trial

## Phase I

- Role of various defendants in the loss of well control, the explosion and sinking of the Deepwater Horizon drilling rig.
- **Gross Negligence determination. (\$1100/barrel vs. \$4300/barrel)**
- Included two month trial.
- Parties submitted post trial briefs to address Judge Barbier's questions (by June 21)
- Response briefs are due by July 12.

## Phase II

- Begins September 16
- **How much oil was spilled?**
- Efforts by BP and its partners to control and shut down the well and whether they were prepared for the spill.

## Phase III

- Other liability issues, such as efforts to skim and burn the oil, the use of dispersants and boom.

**When will judge rule???**



**U.S. District Judge  
Carl Barbier**

# BP's Maximum Penalty?

- Based on barrels of oil spill spilled
- Based on Judge Barbier's February 22, 2013 ruling reducing the total number of barrels officially spilled by 810,000 barrels
- 4.1 million barrels maximum (Down from approx 4.9 million barrels)



## How much money will Santa Rosa County get to administer?

.44% of the Maximum Penalty (80% x 7% x 75% x 10.497% = .44087%)

Minimum = \$19.8 million

Maximum = \$77.6 million

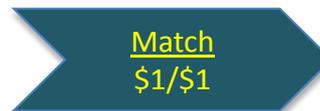
Difference = \$57.8 million



\$30 million

\$116 million

Difference = \$86 million



\$40 million

\$155 million

Difference = \$115 million

# Department of Treasury Guidelines??

- Policies and Procedures were due **January 2<sup>nd</sup> 2013**
- Rules are currently in Federal Inter-agency discussions.

## Good News

With the delay there is opportunity to influence the Final Treasury Guidelines

## Recommendations:

- ✓ Gulf Consortium:
  - Reimbursement of pre-award costs
  - Direct distribution of money to counties.
- ✓ Immediately start tracking your internal planning and pre-award COSTS (Local RESTORE Council coordination)
- ✓ County Expenditure Plans - Self Certification or Certify through State
- ✓ Counties that partner with State Consortium and Council on eligible projects should get higher priority

# “Draft” Initial Comprehensive Plan

- Five overarching Restoration Goals
- Describes how the council will solicit, evaluate, and fund projects/programs
- Describes the process for approving State Expenditure Plans
- Contains a Preliminary List of “authorized but not commenced” projects
- Identifies the Council’s Next Steps

## Requested Feedback on Criteria and Objectives (due July 8)

**Caution:** Appendix A (Authorized but not Commenced) to the Draft Initial Comprehensive Plan does *not include projects submitted to the Florida Department of Environmental Protection (FDEP) for Pot #2. The listing was required by the RESTORE Act of Federal projects authorized but not yet commenced. The Council may or may not choose projects from Appendix A.*



# Gulf Consortium Update

- ✓ **Florida Association of Counties will continue administering/managing 23 county Consortium**
- ✓ **Leon County will handle procurement services**
- ✓ **Leon County Clerk's office will serve as fiscal agent**
- ✓ **Consortium will move forward with hiring consultant**
- ✓ **Signed MOU Between the State & Consortium requires:**
  - Consortium of 23 Counties develops the State Expenditure Plan
  - Governor will certify State Expenditure Plan satisfies RESTORE Act and submit the plan to the Council for approval
  - Governor appoints 6 individuals to provide input and guidance for policy and criteria (not Directors so they can't vote)
  - Open and transparent (Public comment)
  - FDEP and other appropriate state agencies will review and provide input during development of the plan
  - Prioritization based on criteria established by the Consortium
  - Approved by majority vote of Directors
  - Subject to Treasury Guidelines
  - Governor will have final review and comment regarding plan.

# Flow of Oil Spill Funds in Florida

Resolution of Criminal, Civil, Administrative & Natural Resource Claims

Contact: TJ Marshall  
Director, Constituent Outreach  
marshall@oceanconservancy.org  
727-369-6616



Ocean Conservancy

Criminal Penalties  
\$4,000,000,000

Natural Resource Damage Assessment

Injury assessment, restoration planning & implementation.

NRDA Trustee Council

Trustees:

- Dept. of Commerce: NOAA
- Dept. of Interior: US FWS
- Dept. of Defense
- Environmental Protection Agency
- Dept. of Agriculture
- State Trustees

Lead Agency

Department of Environmental Protection  
Herschel Vineyard & Mimi Drew

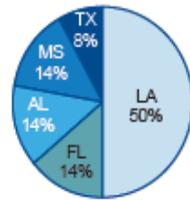
Florida Fish & Wildlife Conservation Commission  
Nick Wiley & Gil McRae

Designated agencies as State Trustees on NRDA Trustee council.

Governor Rick Scott

Clean Water Act Civil & Administrative Penalties\*  
\$?

20% - Oil Spill Liability Trust Fund



Recovery: \$2,744,000,000  
National Fish & Wildlife Foundation \$2,394,000,000  
National Academy of Sciences \$350,000,000

Fines: \$1,256,000,000  
Oil Spill Liability Trust Fund \$1,150,000,000  
North American Wetlands Conservation Fund \$100,000,000  
Treasury \$6,000,000

80% - RESTORE Act - Gulf Coast Restoration Trust Fund

Distribution of these funds are shared among the 5 Gulf States

Pot 1 - Local  
35% Equal State Allocation

Pot 2 - Council  
30% Gulf Coast Ecosystem Restoration Council Allocation

Pot 3 - Consortium  
30% Oil Spill Restoration Impact Allocation

Pot 4  
2.5% Gulf Coast Ecosystem Restoration Science, Observation, Monitoring & Technology Program

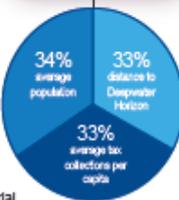
Pot 5  
2.5% Centers of Excellence

7% of total to Florida

Non-Disproportionately Affected Counties  
25% of FL's Share

8 Disproportionately Affected Counties  
75% of FL's Share

Weighted formula to determine how much money each non-disproportionately impacted county receives.



Disproportionately Impacted Counties:

25.334% - Escambia
10.497% - Santa Rosa
15.228% - Okaloosa
13.712% - Walton
15.101% - Bay
6.743% - Gulf
8.441% - Franklin
4.943% - Wakulla

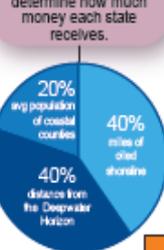
Determined distribution formula.

Subcommittee: Committee of 8 Disproportionately Affected Counties  
Chair: Commissioner Yeager (Gulf)  
Vice Chair: Commissioner Robinson (Escambia)

State plans must be approved by council.

Members:

- CHAIR: Department of Commerce  
Dr. Rebecca Blank
- Department of Agriculture  
Thomas J. Vilsack/Harris Sherman
- Department of the Interior  
Kenneth L. Salazar/Rachel Jacobson
- Department of the Army  
John McHugh/Jo Ellen Darcy
- Department of Homeland Security  
Janet Napolitano/ADM John Currier
- Environmental Protection Agency  
Lisa R. Jackson/Ken Koppolis
- Governors' Representatives  
AL - David Perry  
FL - Mimi Drew  
LA - Garret Graves  
MS - Trudy Fisher  
TX - Toby Baker



Florida Consortium  
Doug Darling  
FL Association of Counties facilitated a group of 23 counties to develop an interlocal agreement to oversee this fund.

NOAA and US Fish & Wildlife Service

Gulf States Marine Fisheries Commission

Gulf of Mexico Fishery Management Council

Shall consult.

The funds will be split up evenly among the 5 Gulf States to establish a center in each.

FL's center will be a consortium of public & private research institutions, including DEP & FWC

All 5 states represented in each of these groups.

Key  
■ Funds  
■ Actions/Decisions  
■ FL Only Influence  
■ Gulf States/Federal Influence

\*There may be other civil and administrative penalties. The CWA penalties are the focus of this chart.  
 \*\*This is document version E, as of 4/8/13. This is time sensitive material. To ensure you have the most recent version, please visit <http://www.oceanconservancy.org/press/gulf-of-mexico>

# Pots of Money (Confusing??)

Clean Water Act Civil and Administrative Penalties  
\$4.5 billion - \$17.6 billion

80%

RESTORE Act  
Gulf Coast Restoration Trust Fund

Pot #1 – “County” (35%)

Pot #2 – “Council” (30%)  
30% Gulf Coast Ecosystem  
RESTORE Council Allocation

Pot #3 – “Consortium” (30%)  
30% Oil Spill Restoration  
Impact Allocation - Formula Based

Pot #4 – ROMTP (2.5%)  
Regional Science, Observation,  
Monitoring and Technology Program

Pot #5 - Centers of Excellence(2.5%)

Criminal Penalties  
\$4 billion

National Academy of Sciences (\$350 million)

North American Wetland Conservation Fund (\$100 million)

National Fish and Wildlife Foundation (\$2.544 billion)

Gulf Environmental Benefit Fund  
(Florida - \$356.16 million)

NRDA Funds  
Natural Resource Damage Assessment  
\$1 billion (\$100 million- Florida  
30.4 million remaining after Phase III)

Triumph Gulf Coast Inc.  
Revenues recovered by  
Florida Attorney General for  
Economic Damages (DEO)  
(75% to 8 counties)

- Scientific Research
- Environmental Restoration
- Economic Incentives
- Initiatives to expand and diversify the county economies



## National Fish and Wildlife Foundation (Gulf Environmental Fund)

- Initial coordination meeting between NFWF, FWC and FDEP
- FWC serving a leadership role in defining NFWF process for Florida
- **Projects are expected to occur within reasonable proximity to where the impacts occurred, as appropriate.**
- Same online submittal process as FDEP

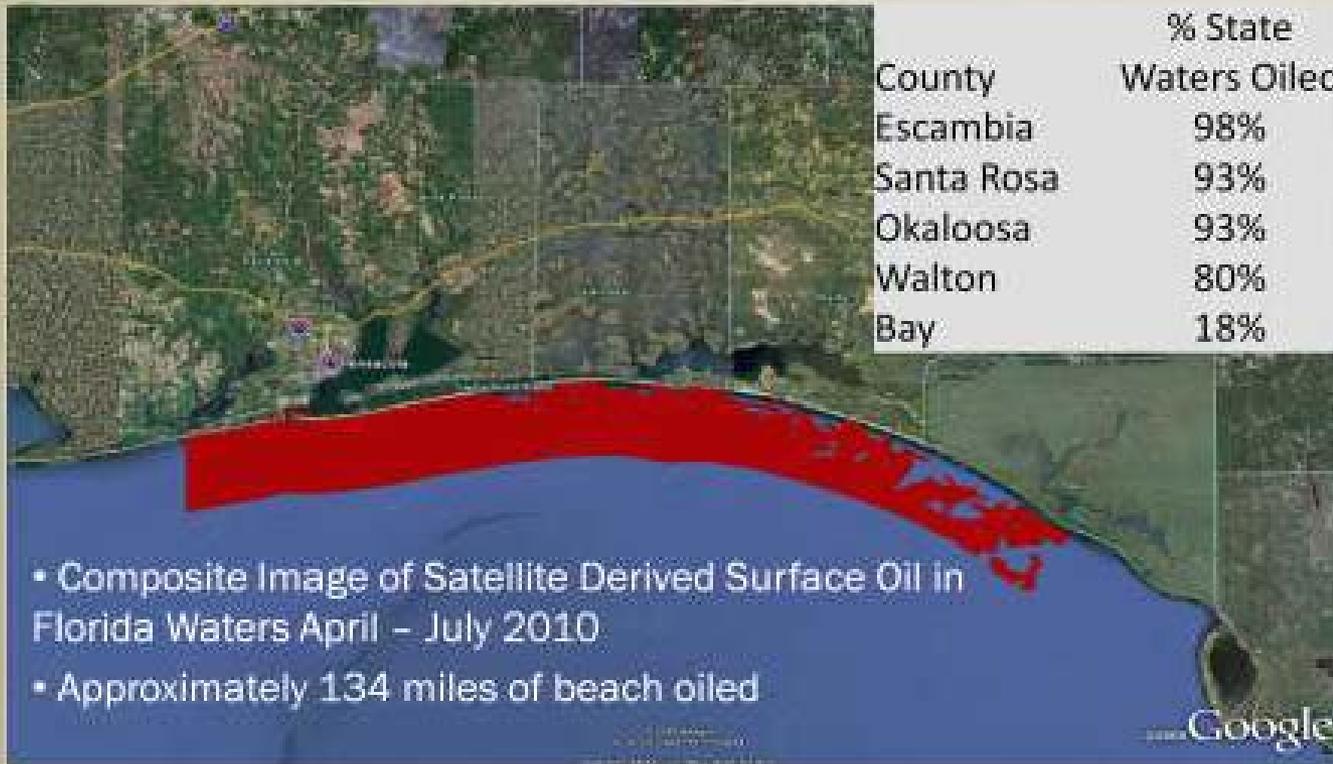
<u>Date</u>	<u>Florida Payments (\$ Millions)</u>
Apr 2013	\$22.12
Feb 2014	\$49.42
Feb 2015	\$47.46
Feb 2016	\$42.00
Feb 2017	\$70.00
Feb 2018	\$125.16
<b>Total</b>	<b>\$356.16</b>

- Plea language specifies: *"(payments shall be used to) conduct or fund projects to remedy harm to resources where there has been injury to, or destruction of, loss of, or loss of use of those resources resulting from the Macondo oil spill."*



# Impacts

## Deepwater Horizon Oil in Florida Waters



# NRDA Funds

Natural Resource Damage Assessment

Approximately \$100 million committed to Florida projects

\$30.4 million remaining after Phase III allocation

## NRDA funds earmarked for Santa Rosa County

- Florida artificial reef creation and restoration( Escambia, **Santa Rosa**, Okaloosa, Walton, and Bay counties) (Approximately \$11.4 million)
- Scallop enhancement for increased recreational fishing opportunity in the Florida panhandle (Escambia, **Santa Rosa**, Okaloosa, Walton, Bay, Gulf, and Franklin counties)(Approximately \$3 million)
- Florida Oyster reef restoration (Escambia, **Santa Rosa**, Bay and Franklin counties) (Approximately \$5.4 million)

## MOEX Settlement

- Stormwater Retrofit Projects for Bay, Okaloosa and **Santa Rosa** Counties (\$5 million)
- Acquisition of 1541 acres at Escribano Point (\$2.47 million) in **Santa Rosa County**

# Maximizing Funding from Pot 2, 3 and NFWF

## RESTORE Priorities: Florida

- Stormwater / Wastewater infrastructure
- Community resilience / Living shorelines,
- Water quality projects including those which achieve water quality benefits provided by the preservation of buffer lands around military bases,
- Implementation of agriculture best management practices
- Fish and wildlife habitat and management.



# Maximizing Funding from Pot 2, 3 and NFWF

## RESTORE Priorities: FWC

Saltwater Fish Hatchery Network  
Expansion

Enhanced Gulf Fishery  
Independent Monitoring

Implement Wildlife Recovery and  
Management Plans

Expand Artificial Reefs

Boating Access Enhancement

Fish and Wildlife Based Tourism  
Projects

Enhanced Oil Spill Response

Shoreline Protection and Shellfish  
Restoration

Restore Florida Keys Water Quality  
and Coral Reef Ecosystems

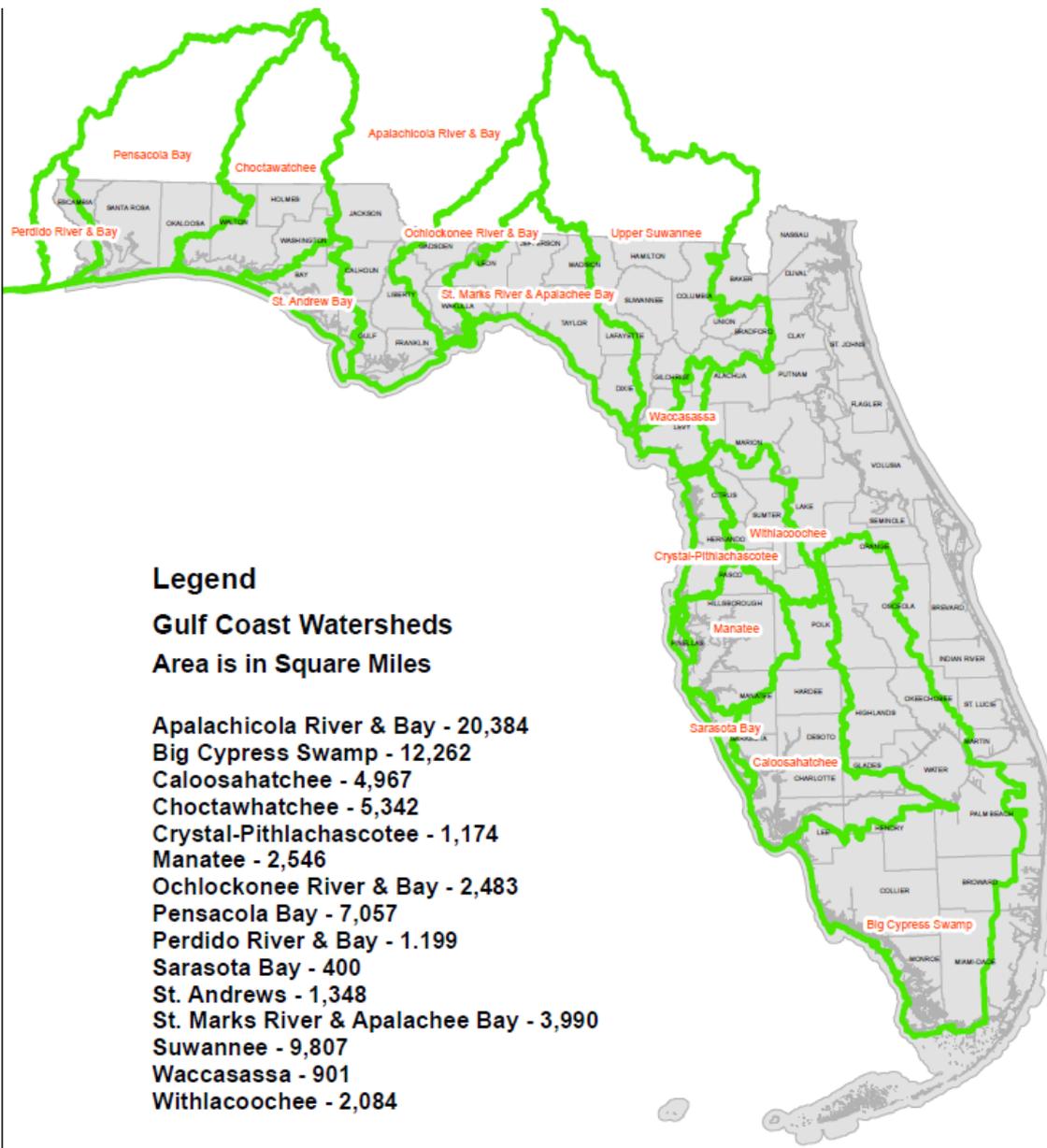
Enhanced Fisheries Habitat  
Management

Land Acquisition and Management

Restore Panhandle River Systems

Restore Water Quality through land  
management





**Legend**

**Gulf Coast Watersheds**  
 Area is in Square Miles

- Apalachicola River & Bay - 20,384
- Big Cypress Swamp - 12,262
- Caloosahatchee - 4,967
- Choctawhatchee - 5,342
- Crystal-Pithlachascotee - 1,174
- Manatee - 2,546
- Ochlockonee River & Bay - 2,483
- Pensacola Bay - 7,057
- Perdido River & Bay - 1,199
- Sarasota Bay - 400
- St. Andrews - 1,348
- St. Marks River & Apalachee Bay - 3,990
- Suwannee - 9,807
- Waccasassa - 901
- Withlacoochee - 2,084

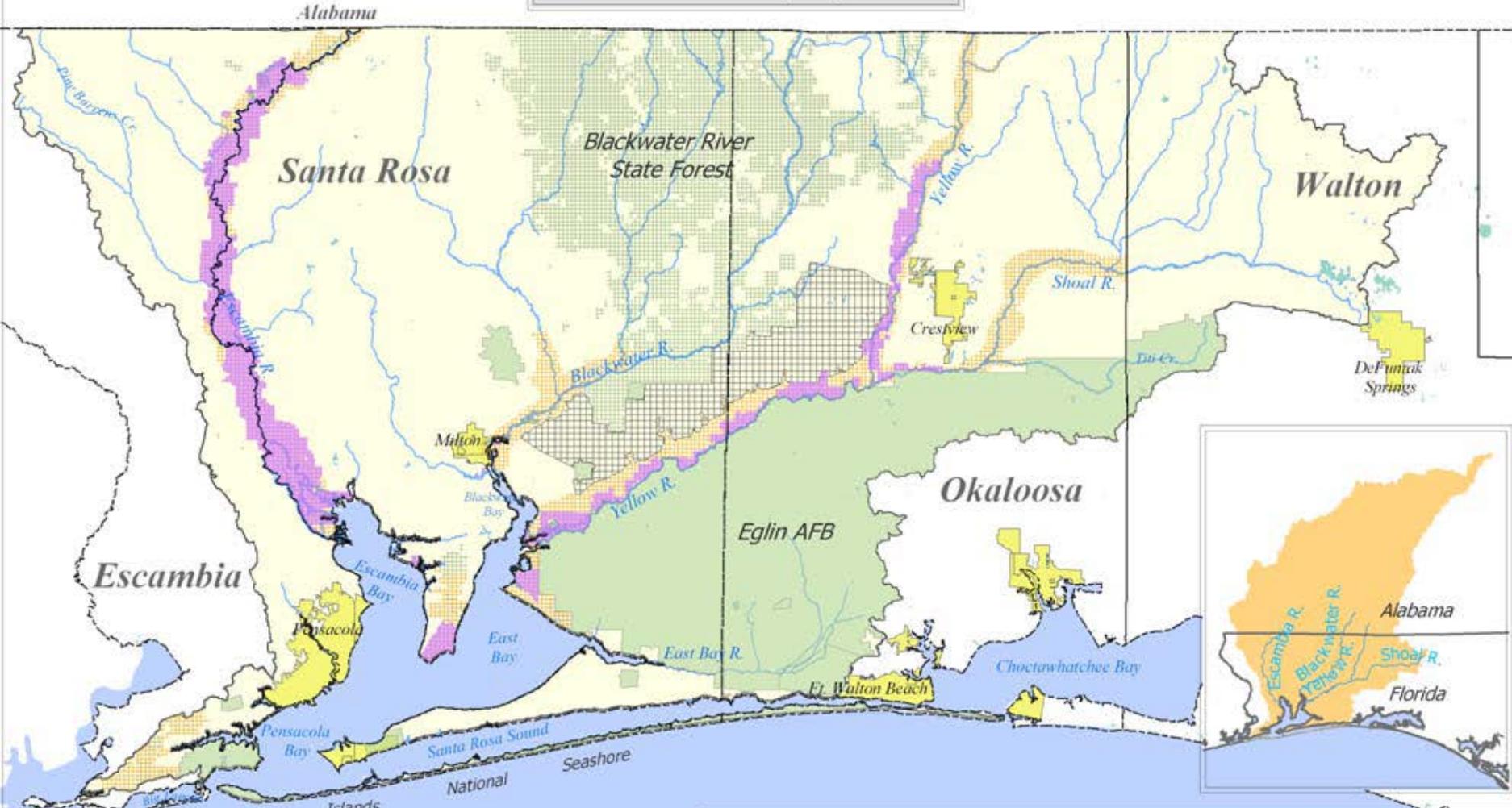
## Watershed Approach

- Complete each watershed plan
- Group plans by Region
- Consolidate Regional plans into the Consortium Plan.

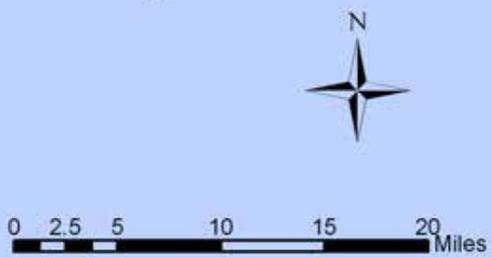
# Watershed of the Pensacola Bay System



# Pensacola Bay System

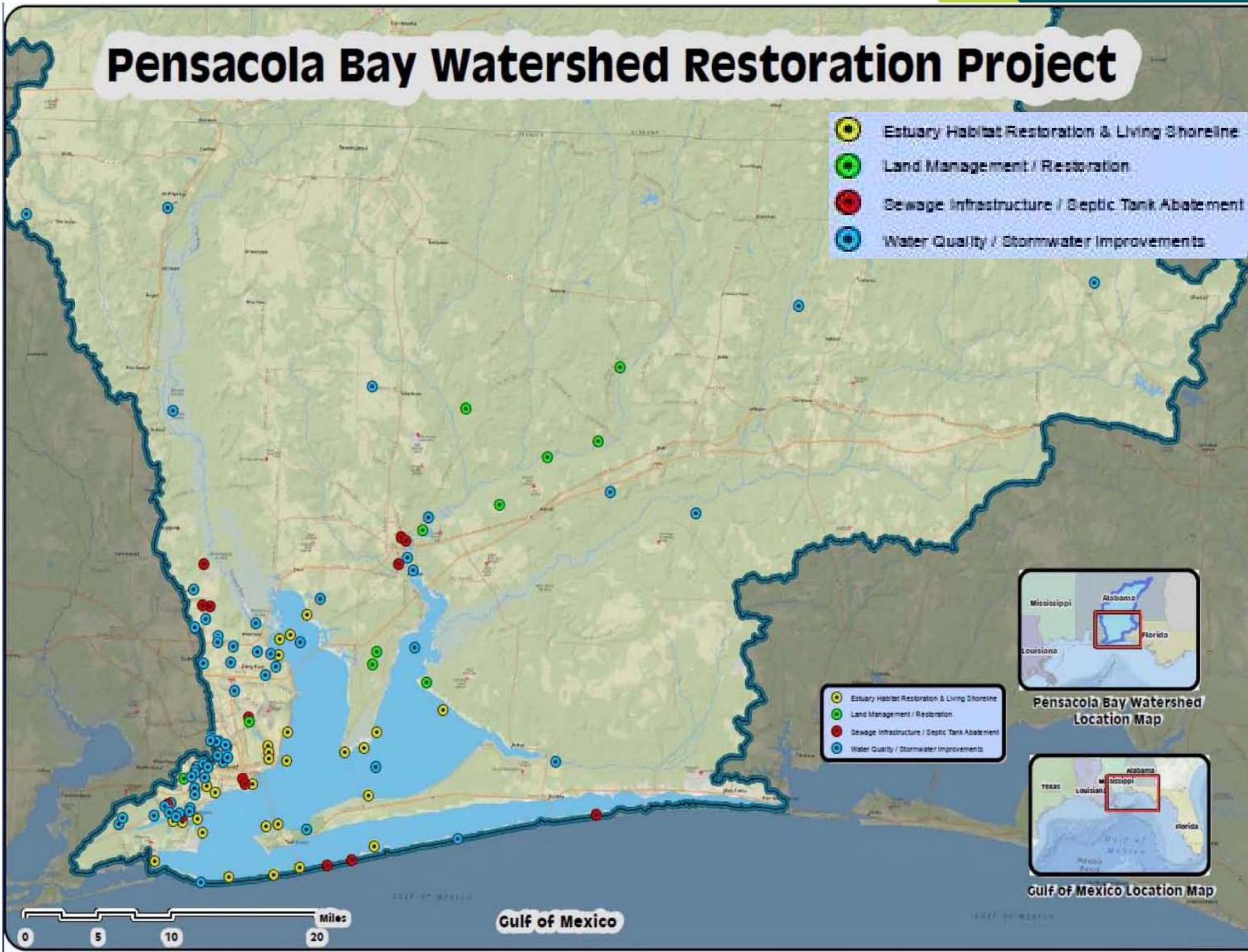


Public Lands Acquired to Date		Potential Acquisition Areas	
	NFWMD (Fee)		Priority Fee Simple Acquisitions
	NFWMD (Conservation Easements)		Priority Less Than Fee Acquisitions
	Federal Lands		Greenways Connection Corridors
	Private Conservation Areas		Groundwater Recharge Areas and Greenways Corridor
	State of Florida		



# Pensacola Bay Watershed Restoration Project

-  Estuary Habitat Restoration & Living Shoreline
-  Land Management / Restoration
-  Sewage Infrastructure / Septic Tank Abatement
-  Water Quality / Stormwater Improvements



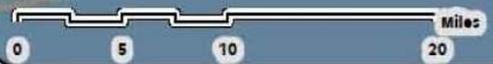
-  Estuary Habitat Restoration & Living Shoreline
-  Land Management / Restoration
-  Sewage Infrastructure / Septic Tank Abatement
-  Water Quality / Stormwater Improvements



Pensacola Bay Watershed Location Map



Gulf of Mexico Location Map



Gulf of Mexico

# RESTORE Eligible Activities

## Pot # 1 – Santa Rosa “County”

### Equal-Share State Allocations

Funds must be used to achieve ecological and/or economic restoration of the Gulf Coast.

Activities, which can include but are not limited to, approved projects, must meet at least one of the following:

- Restoration projects
- Recreation projects
- Workforce development and job creation; and
- Infrastructure projects benefiting the economy or ecological resources;
- Flood protection and infrastructure;
- Planning assistance;
- Promotion of tourism;
- Promotion of Gulf seafood consumption; and
- Administrative costs (not more than 3%).

**Workforce development, job creation and infrastructure projects are very open ended**

## Pot # 2 – “Council”

### Gulf Coast Ecosystem Restoration Council

The Plan must target restoration and protection of Gulf natural resources.

Except for already-authorized projects, the Plan must target restoration and protection of Gulf natural resources. The Plan must address one or more of the following goals of the Council and priority will be given to projects that address one or more of the following:

- Projects that restore or protect natural resources
- Large-scale programs that are project-specific and contribute to natural resource restoration and protection;
- Projects contained in existing Gulf Coast State comprehensive plans for natural resource restoration and protection; and/or
- Projects that restore long-term resiliency of natural resources most impacted by the oil spill.

**Environmental Restoration and protection only**

## Pot # 3 – “Consortium”

### Impact-Based State Allocations

Funds may be used “for projects, programs, and activities that will improve the ecosystems or economy of the Gulf Coast region.”

They must:

- Be eligible activities
- Be eligible activities that share funds
- Contain an ecological component

Not more than 10% of the funds may be made available for infrastructure projects, unless the plan certifies that the State’s ecosystem restoration needs are addressed by the plan and additional infrastructure investment is necessary to mitigate the impacts of DWH.

**Open ended but with infrastructure limitations**

Eligible Activities

# Project Criteria Development

Potential categories	RESTORE eligible activities
Category 1 (Environmental)	<ul style="list-style-type: none"> <li>Restoration and protection of natural resources, including wetlands, fisheries, marine mammals, and habitats, including wetlands.</li> </ul>
Category 2 (Economic Development)	<ul style="list-style-type: none"> <li>Workforce development and job creation.</li> </ul>
Category 3 (General Infrastructure)	<ul style="list-style-type: none"> <li>Infrastructure projects benefitting the economy or ecological resources, including ports.</li> <li>Flood protection and infrastructure.</li> </ul>
Category 4 (Tourism and Seafood)	<ul style="list-style-type: none"> <li>Promotion of tourism, including recreational fishing.</li> <li>Promotion of Gulf seafood consumption.</li> <li>Improvements to state parks affected by the oil spill.</li> </ul>
Category 5 (Planning)	<ul style="list-style-type: none"> <li>Planning assistance.</li> <li>Administrative costs (up to three percent).</li> </ul>

**Criteria set:  
Don't re-invent the wheel!**

## Recommendation

### Plan B

1. Separate Projects into specific categories
2. Develop detailed criteria for each Category

#### Benefits:

- “Apples to Apples” comparison
- Better define the environmental projects to leverage Pots 2 & 3
- Greater flexibility for Commissioners and Local Restore Council

Other funds

## Recommendation

### Use Restoration Council Criteria

- Greatest contribution to restoring and protecting natural resources
- Large scale projects and programs
- Part of existing Gulf Coast State Comprehensive plans
- Long term resiliency

# Local RESTORE Council Questions to think about?

## Possible criteria depending on category

- Cost
- Public Support
- Shovel Ready
- Ease of Permitting
- Maintenance Costs (Who will maintain?)
- Jobs created (Short term, Permanent)
- Annual payroll
- Number of individuals trained for certification or job. (Workforce Development)
- Number of SRC individuals touched long term/short term (Workforce Development)

## Questions to consider?

- Maximum funding cap for individual projects? (\$ 5,000,000)
- Minimum funding level for individual projects (\$25,000)
- Require matching funds to receive money or just make it a criteria for grading?

## Perform an initial review/feasibility analysis of candidate projects as directed by the Local Restore Council.

### Evaluate and score each project

- Against category criteria
- Higher ranked projects will be prioritized within 3 year plan
- Lower ranked scores will be added to 10-year funding plan

### Infrastructure and Environmental projects

- Eligible versus RESTORE criteria?
- Cost (Survey, Geotech, Engineering, Permitting, Construction)
- R/W or easement needs?
- Permitting requirements? (simple/complex)
- Schedule (Design/Permitting/Construction)
- Cost sharing/leveraging opportunities
- Maintenance costs
- Does the project compliment other SRC , State or Federal projects
- Monitoring/Chance of success (Environmental)

## Determine which possible funding sources are available for candidate projects.

**RESTORE money as matching funds** for State and Federal Grants

### Federal

- ✓ Section 319 Grants (40% match)
- ✓ Coastal Partnership Initiative Grant Program (100% match) (NOAA)
- ✓ Recreational Trails Program (RTP)(20%-50% match)
- ✓ Department of Labor (DOL) Grants (Workforce Development)
- ✓ Economic Development Administration (EDA) Grants
- ✓ Federal Aviation Administration (FAA)

### State

- ✓ Clean Water State Revolving Fund Loan Program (CWSRF)
- ✓ TMDL Water Quality Restoration Grants
- ✓ Beach Erosion Control Program (BECF)
- ✓ Florida Recreation Development Assistance Program (FRDAP)
- ✓ Land and Water Conservation Fund (LWCF)
- ✓ FDOT
- ✓ Cultural Affairs Grants
- ✓ Historical Resources Grants
- ✓ Library Grants

# Determine which possible funding sources are available for candidate projects.

Potential categories	RESTORE eligible activities
Category 1 (Environmental)	<ul style="list-style-type: none"> <li>Restoration of natural resources</li> <li>Fisheries</li> </ul>
Category 2 (Economic Development)	<ul style="list-style-type: none"> <li>Projects benefiting the economy or ecological resources, including ports.</li> <li>Flood protection and infrastructure.</li> </ul>
Category 4 (Tourism and Seafood)	<ul style="list-style-type: none"> <li>Promotion of tourism, including recreational fishing.</li> <li>Promotion of Gulf seafood consumption.</li> <li>Improvements to state parks affected by the oil spill.</li> </ul>
Category 5 (Planning)	<ul style="list-style-type: none"> <li>Planning assistance.</li> <li>Administrative costs (up to three percent).</li> </ul>

## Recommendation:

- Other people's money first
- Gulf Environmental Benefit Fund
- Skin in the game (Relocation of Navarre Beach WWTP outfall @ \$17.3 million)
- **Stormwater Retrofit Projects?**
- Septic Tank Issues?
- Dirt road paving?

RESTORE Pot 2, RESTORE Pot 3, NRDA, Criminal Fines-NFWF/GEBCF, Nature Conservancy, BECP, Florida Forever, Coastal Partnership Initiative, FWC

SR School Board, PSC, Workforce Escarosa, DEO, CSBG, Library Grants, EDA, DOL, USDOT Transit

CDBG Grants, FDOT TRIP, FAA, FRDP, LWCF, FEMA Hazard Mitigation Grants, Historical Resources Grants

DEO, TDC, Cultural Affairs Grant, FDEP

FEMA Preparedness Grants, (EMPG)

# Determine which possible funding sources are available for candidate projects.

## Innovative Approaches

### ✓ **Set up an “Economic Development Discretionary Fund” :**

- Set aside RESTORE money to go beyond State and Local incentives to help fund major payrolls (i.e. \$1 million to get 300 jobs or \$10 million/year payroll) (MRO, or Airbus supplier type project)
- Develop two-way agreement with Escambia County to help fund incentives for major projects that create significant two-county job employment (min 50 jobs for Santa Rosa County to participate) (10:1)

✓ **State Legislation** — Example: HB 85 allows counties to enter into PPP to construct, extend or improve county roads (bridges, stormwater, etc.). Reimburse with RESTORE money?

✓ **Legislative Line Item Budget Requests** — Request funding for a couple of critical projects and match with RESTORE money and other sources

✓ **FDOT TRIP, other State projects** — If critical, advance then get reimbursed or 10:1

✓ **Partnerships** with City of Gulf Breeze, Milton, Jay, Santa Rosa School Board, Pensacola State College, and private organizations (establish a matching program with caps - 1:1,2:1 etc)

✓ **Set maximum cap** for RESTORE funding per project (\$2 million?) to leverage more projects and maximize distribution of projects to all SRC districts

# Developing a multi-year implementation plan

**RESTORE Act requires the “Council” (Pot 2) to develop:**

- 10 year funding plan (Updated every 5 years)
- 3-year list of specific projects and programs (updated annually)

## **Recommendation:**

- Don't deviate from the Council plan approach
- Must take into account the planning, design and permitting when scheduling projects.
- Develop two plans (Minimum and Maximum Funds)
- Expect only shovel ready projects or planning/design/permitting during first two years.