

April 1999

SOUTH FLORIDA
ECOSYSTEM
RESTORATION

An Overall Strategic Plan
and a Decision-Making
Process Are Needed to
Keep the Effort on Track



**Resources, Community, and
Economic Development Division**

B-282237

April 22, 1999

Congressional Requesters

One of this administration's most significant environmental initiatives is the restoration of the South Florida ecosystem. Responding to growing signs of the deterioration of this ecosystem, federal agencies established the South Florida Ecosystem Restoration Task Force in 1993 to coordinate ongoing federal restoration activities in this area, such as modifying the effects of engineering projects that have diverted water from the Everglades and reducing agricultural pollutants in the water entering wildlife refuges and the Everglades. The Water Resources Development Act of 1996 formalized the Task Force and expanded its membership to include state, local, and tribal representatives and charged it with coordinating and facilitating the efforts to restore the ecosystem.

Because of the large number of federal, state, tribal, and local stakeholders involved in the South Florida Ecosystem Restoration Task Force and the complexity and potential cost of the South Florida Ecosystem Restoration Initiative, you asked us to review the status of the restoration effort. Specifically, you asked us to determine (1) how much and for what purposes federal funding was provided for the restoration of the South Florida ecosystem from fiscal year 1993 through fiscal year 1999¹ and (2) how well the restoration effort is being coordinated and managed. Our analysis of the federal funding provided to the South Florida Ecosystem Restoration Initiative covers the period from fiscal year 1993 through fiscal year 1999. Although we included data on the agencies' appropriations through fiscal year 1999, we included data on obligations and expenditures through fiscal year 1998 because complete data are available only through fiscal year 1998.

In addition, because this study represents an initial look at this major initiative, you asked us to identify any other issues that might impede the progress of this effort in the future. This information is presented in appendix I.

Results in Brief

On the basis of the data we obtained from the five primary federal departments and agencies participating in the South Florida Ecosystem Restoration Initiative, we estimate that over \$1.2 billion in federal funds

¹Fiscal year 1993 was chosen because, although efforts were undertaken before that date, the federal interagency task force was established that year to coordinate ongoing restoration efforts.

was provided from fiscal year 1993 through 1999. The key restoration activities undertaken by the federal agencies were (1) land acquisition; (2) the management of federally owned facilities or natural resources, such as national parks, wildlife refuges, and a national marine sanctuary, which either affect or are affected by the restoration initiative; (3) infrastructure projects, such as the construction of levees; and (4) science-related activities, such as mercury contamination studies. Over 75 percent of the federal expenditures during this 6-year period have been made by agencies within the Department of the Interior and by the U.S. Army Corps of Engineers. The federal funding provided to date represents only a down payment. While no official cost projection for the total restoration effort has been made, a major component, the implementation of the Central and Southern Florida Project Comprehensive Review Study, referred to as the Restudy, is estimated to cost an additional \$7.8 billion—a cost that will be shared equally by the federal and state governments. The Restudy is designed to substantially increase the amount of water that is delivered to natural areas while enhancing agricultural and urban water supplies. According to the Task Force’s executive director, at least \$2 billion beyond the \$7.8 billion will be needed to complete the restoration effort. This money will be used to acquire additional lands, construct other infrastructure projects, and eradicate exotic plant species. Consequently, the restoration effort, which is expected to take at least 20 years to complete, could cost at least \$11 billion.

The South Florida Ecosystem Restoration Task Force, a group that brings together representatives of federal, state, and local agencies and affected tribes, is responsible for coordinating the participating entities’ implementation of the initiative. However, a strategic plan that clearly lays out how the initiative will be accomplished and includes quantifiable goals and performance measures has not yet been developed. In addition, the Task Force is a coordinating body, not a decision-making body, and thus is limited in its ability to manage and make decisions for the overall restoration effort. As our review of two projects integral to the restoration effort indicates, even with coordination, the federal and state agencies involved are unable to agree on components of these projects. Their inability to agree has contributed to delays and cost overruns. Given the scope and complexity of the initiative and the difficulties that have already been encountered, additional delays and cost overruns are likely to occur, and the participants’ ability to accomplish the initiative’s overall goals is at risk.

This report recommends the development of (1) an overall strategic plan for the restoration initiative that will outline how the restoration of the South Florida ecosystem will occur and will identify the resources needed to achieve the restoration, assign accountability for accomplishing actions, and link the strategic goals established by the Task Force to outcome-oriented annual goals and (2) a decision-making process to resolve conflicts.

Background

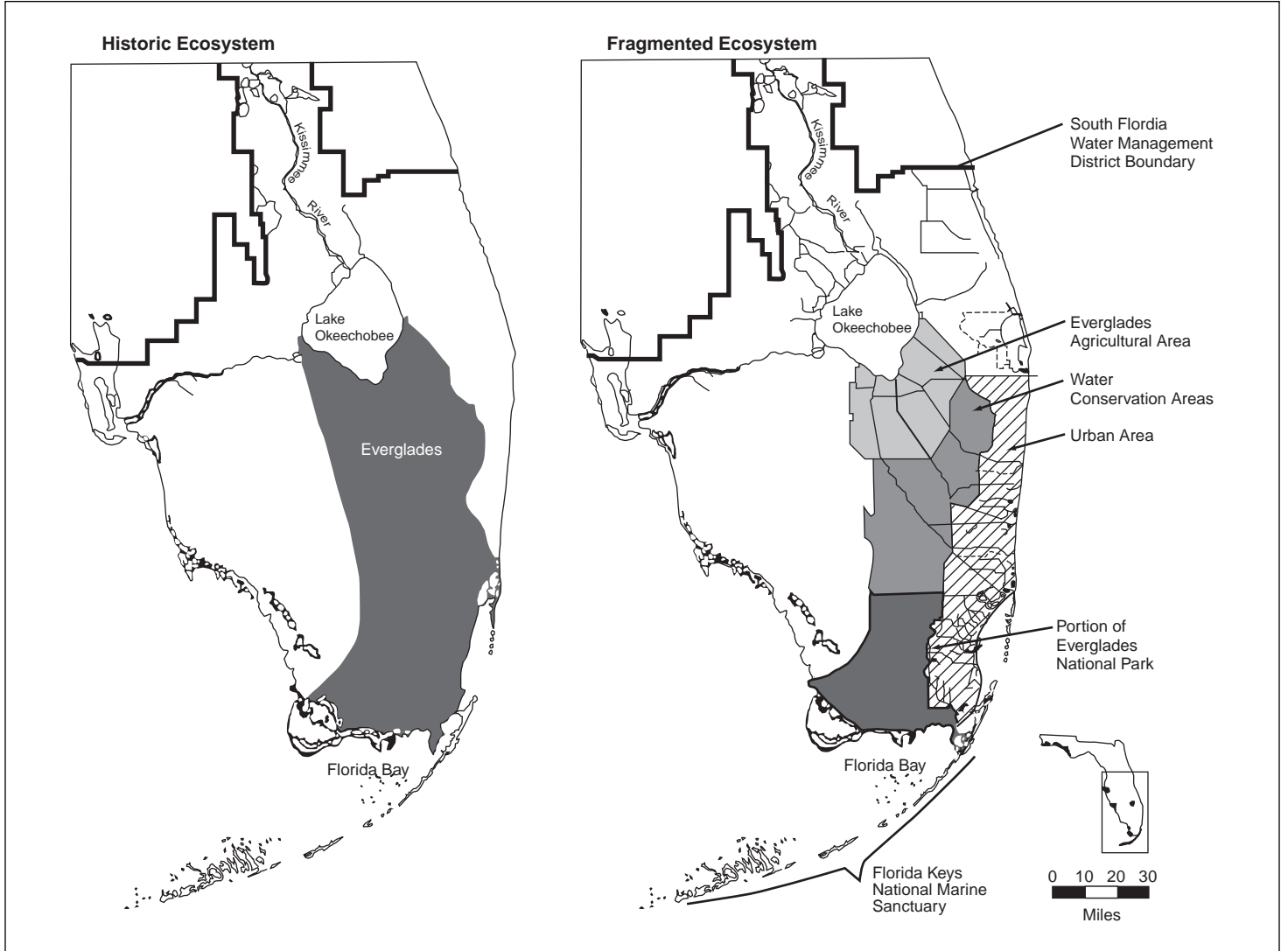
The South Florida ecosystem extends from the Chain of Lakes south of Orlando to the reefs southwest of the Florida Keys. This vast region, which is home to more than 6 million Americans, a huge tourism industry, and a large agricultural economy, also encompasses one of the world's unique environmental resources—the Everglades. Before human intervention, freshwater moved south from Lake Okeechobee to Florida Bay in a broad, slow-moving sheet. The quantity and timing of the water's flow depended on rainfall patterns and natural processes that slowly released stored water. Water stored throughout the vast area of the Everglades supplied water to wetlands and coastal bays and estuaries even during dry seasons. For centuries, the Everglades provided habitat for many species of wading birds and other native wildlife, including the American alligator, which depended on the water flow patterns that existed before human intervention.

The vast Everglades wetlands were generally viewed as an unproductive swamp to be drained for more productive uses. By 1927, the Everglades Drainage District had constructed 440 miles of canals, levees, locks, and dams. However, these water management projects were not sufficient to protect over 2,000 people from drowning and many more from being injured when the waters of Lake Okeechobee overflowed during a devastating hurricane in 1928. In 1930, the Army Corps of Engineers began constructing the Herbert Hoover Dike around the lake.

A major drought from the early 1930s through the mid-1940s left the booming population of South Florida short of water and threatened by uncontrollable fires in the Everglades. In 1947, torrential rains, coupled with unusually high seasonal water levels and an abnormally wet summer followed by hurricanes in September and October, flooded nearly 2.5 million acres and left 90 percent of southeastern Florida underwater. Floodwaters stood in some areas for 6 months.

As a result, in 1948, the Congress authorized the Central and Southern Florida Project—an extensive system of over 1,700 miles of canals and levees and 16 major pump stations—to prevent flooding and saltwater intrusion into the aquifer, as well as to provide drainage and supply water to the residents of South Florida. Areas immediately south of Lake Okeechobee in the Everglades Agricultural Area, which was drained by the project, are now farmed—primarily by sugar growers—while the eastern part of the region has become heavily urbanized. Canals carry water away from the Everglades Agricultural Area into levied water conservation areas or directly into the Atlantic Ocean, bypassing much of the former Everglades and dramatically altering the timing, quantity, and quality of the water delivered to coastal estuaries. As figure 1 shows, these engineering changes, coupled with agricultural and industrial activities and urbanization, have reduced the Everglades to about half its original size. These changes have also had a detrimental effect on the environment. Wildlife populations have declined significantly, and some scientists believe that the reduced flow of freshwater into Florida Bay may be hastening its environmental decline.

Figure 1: The Everglades-Past and Present



Source: GAO's adaptation of an illustration prepared by the South Florida Water Management District.

To address the deterioration of the ecosystem, the administration, in 1993, made the restoration of the Everglades and the South Florida ecosystem one of its highest environmental priorities. The South Florida Ecosystem Task Force was established by an interagency agreement to promote and

facilitate the development of consistent policies, strategies, priorities, and plans for addressing the environmental concerns of the South Florida ecosystem. The Task Force consisted of assistant secretaries from the Departments of Agriculture, the Army, Commerce, and the Interior; an assistant attorney general from the Department of Justice; and an assistant administrator from the Environmental Protection Agency. The Water Resources Development Act of 1996 formalized the Task Force; expanded its membership to include state, local, and tribal representatives; and designated the Secretary of the Interior as the group's Chairperson. To accomplish the restoration of the South Florida ecosystem, the Task Force has established the following goals:

Get the water right. This means restoring more natural hydrologic functions while providing adequate water supplies and flood control. This goal will be accomplished primarily by modifying the Central and Southern Florida Project to enlarge the region's freshwater supply and to improve how water is delivered to natural areas using a variety of technologies. More than 500 miles of canals and levees will be removed to reestablish the natural sheet flow of water through the Everglades and restore more natural water flows to South Florida's coastal bays and estuaries.

Restore and enhance the natural system. Restoring lost and altered habitats will involve acquiring land and changing current land uses as well as halting the spread of invasive, exotic species and recovering threatened and endangered species.

Transform the built environment. Balancing human needs with those of the natural environment will require developing lifestyles and economies that do not have a negative impact on the natural environment and do not degrade the quality of life. This will involve ensuring that traditional industries, such as agriculture, tourism, development, fishing, and manufacturing, continue to be supported while making sure that these industries are compatible with the goals of the restoration effort and that the quality of life in urban areas is maintained or enhanced.

Participants in the restoration effort include 13 federal agencies,² 7 Florida agencies and commissions, 2 American Indian tribes, 16 counties, and scores of municipal governments. Representatives from the state's major industries, the commercial and private sectors, and environmental and other special interest groups also participate in the restoration effort.

²Ten of the 13 agencies are within 5 federal departments.

Appendix II lists the federal, state, tribal, and county participants. Appendix III contains additional details on the South Florida ecosystem and the efforts undertaken to restore it.

The South Florida Ecosystem Restoration Initiative Has Received Over a Billion Dollars in Federal Funding

Federal funding for the South Florida Ecosystem Restoration Initiative does not come from a single source. In addition to funds appropriated directly by the Congress for projects managed by the U.S. Army Corps of Engineers and restoration activities designated in the 1996 Federal Agriculture Improvement and Reform Act (Farm Bill), the federal agencies participating in the initiative determine and allocate funds from their own appropriations. Because the agencies account for these funds independently, no complete and consolidated financial data on the initiative are available. We asked each agency to provide data on the funds provided for the initiative—appropriations from fiscal year 1993 through fiscal year 1999 and obligations and expenditures from fiscal year 1993 through fiscal year 1998 (the latest year for which complete data are available). However, many of the agencies had difficulty providing these data because although they track appropriated dollars allocated for the initiative, they do not separately track the funds obligated and expended for it.

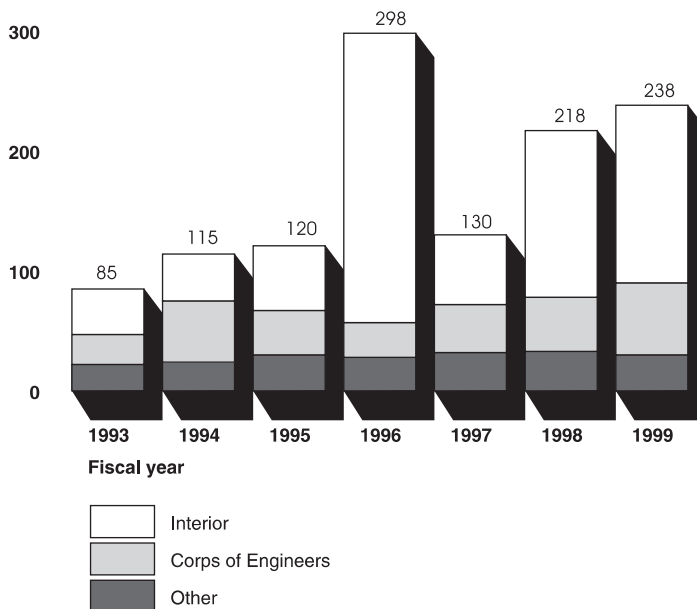
On the basis of the financial data provided by the federal agencies,³ we estimate that from fiscal year 1993 through fiscal year 1999, over \$1.2 billion in appropriated funds has been provided to the South Florida Ecosystem Restoration Initiative.⁴ As figure 2 indicates, the funding for the initiative has increased from about \$85 million for fiscal year 1993 to about \$238 million for fiscal year 1999. As figure 2 also shows, 1996 was an unusual funding year because the Farm Bill included a specific appropriation of \$200 million for restoration activities.

³We did not convert the financial data provided by the agencies to 1999 constant dollars. Converting these data to 1999 constant dollars would result in a small increase in the total amount appropriated, obligated, and expended by the federal agencies for the initiative.

⁴According to the South Florida Water Management District, the state of Florida has contributed about \$2 billion to the restoration of the South Florida ecosystem since 1983.

Figure 2: Federal Dollars Appropriated for the Restoration of the South Florida Ecosystem, Fiscal Years 1993-99

400 Dollars in millions



Note: 1996 appropriations include \$200 million from the Farm Bill for additional restoration activities.

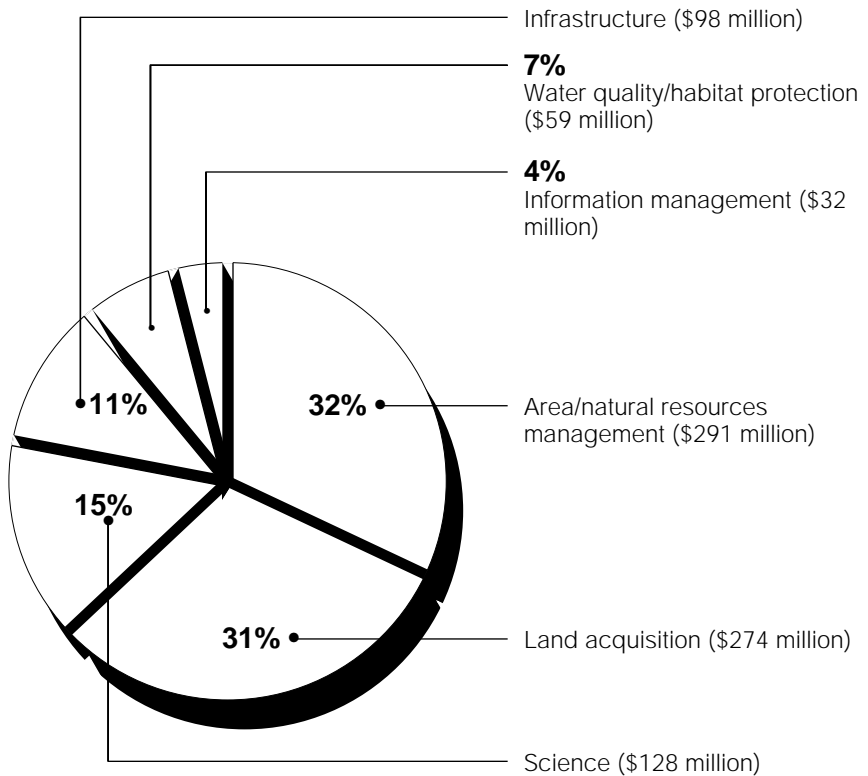
Through fiscal year 1998,⁵ federal departments and agencies obligated⁶ \$883 million for various restoration activities. The restoration activities can be grouped into six major categories: (1) land acquisition; (2) the management of federally owned facilities or natural resources, such as national parks, wildlife refuges, and a national marine sanctuary, which may affect or be affected by the restoration initiative; (3) science-related activities, such as mercury contaminant studies; (4) infrastructure, such as the construction of water control structures; (5) water quality and habitat protection, such as the Corps' wetlands permitting program; and (6) information management and assessment, such as coastal mapping. As

⁵Because obligation data are available through fiscal year 1998, the amounts obligated should be compared with the amounts appropriated through fiscal year 1998. Through fiscal year 1998, the total appropriations were \$966 million while the total obligations were \$883 million.

⁶Obligations are transactions, such as services received and contracts awarded, that will require payments during the current or a future fiscal year.

figure 3 shows, the major activities being conducted are in area/natural resources management (32 percent), land acquisition (31 percent), science (15 percent), and infrastructure (11 percent). Some of these categories, particularly area/natural resources management and science, include activities that may be considered normal agency operations and would take place with or without the South Florida Ecosystem Restoration Initiative.

Figure 3: Share of Federal Obligations, by Category, Fiscal Years 1993-98

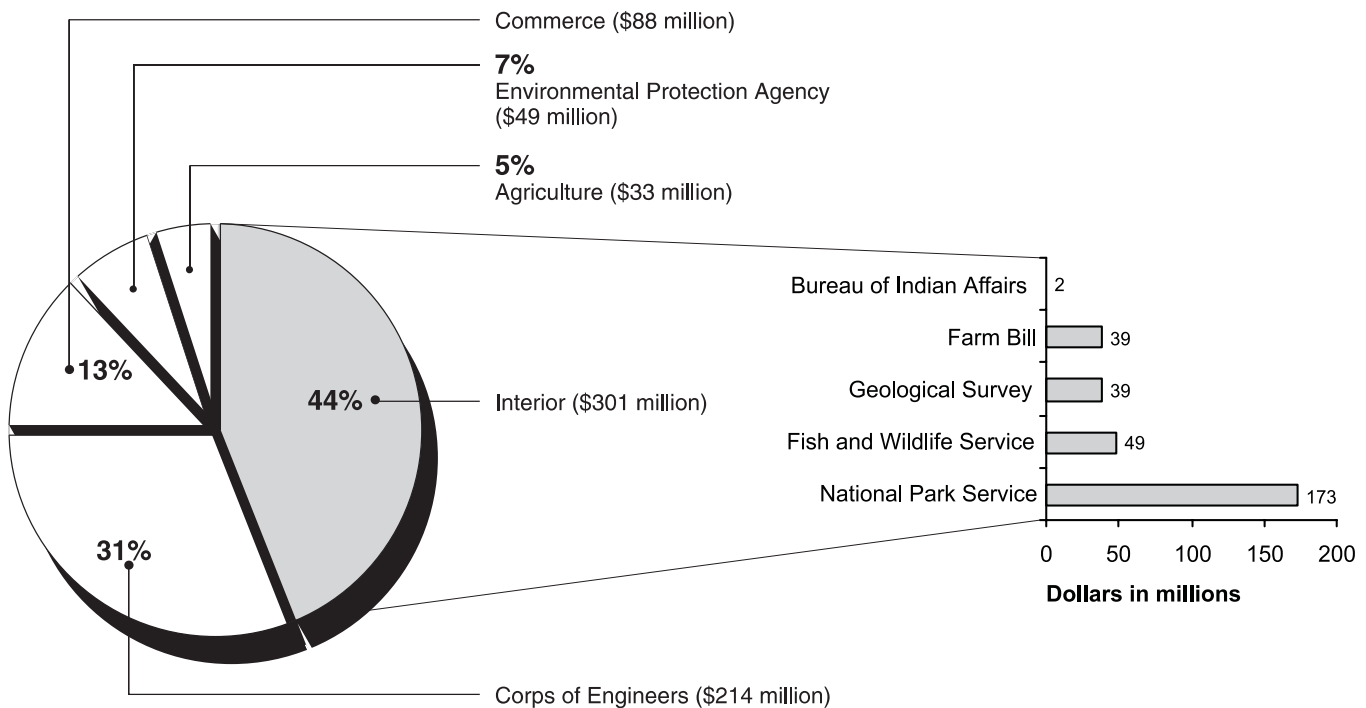


Note: Total obligations for fiscal years 1993-98 are \$883 million. The individual dollar figures noted above may not total because of rounding.

Of the \$883 million obligated, \$684 million was spent by the agencies or distributed to the state and other nonfederal entities for restoration

activities in South Florida.⁷ As figure 4 shows, the Department of the Interior and the Corps of Engineers account for the bulk of the total federal expenditures (75 percent) during this 6-year period.

Figure 4: Share of Total Federal Expenditures by Federal Agencies, Fiscal Years 1993-98



Note: Total expenditures for fiscal years 1993-98 are \$684 million. The individual dollar figures noted above may not total because of rounding.

The federal funding provided to date represents only a down payment. While an official cost estimate for the total restoration effort has not been made, the implementation of the Central and Southern Florida Project Comprehensive Review Study, a major component of the restoration initiative referred to as the Restudy, is estimated to cost \$7.8 billion. This cost will be shared equally by the federal and state governments. The Restudy, which will propose modifications to the existing Central and

⁷An expenditure is the issuance of checks, disbursement of cash, or electronic transfer of funds made to liquidate a federal obligation.

Southern Florida Project, is designed to substantially increase the amount of water that is delivered to natural areas while enhancing agricultural and urban water supplies. Additional efforts will be needed to complete the restoration initiative. According to the executive director of the Task Force, at least \$2 billion more will be needed to acquire additional lands, construct other infrastructure projects, and eradicate exotic plant species. Consequently, the restoration effort, which is expected to take at least 20 years to complete, could cost at least \$11 billion.

Appendix IV contains additional details on the federal funds appropriated, obligated, and expended for the restoration of the South Florida ecosystem.

An Overall Strategic Plan and a Decision-Making Process Will Help the Restoration Initiative Stay on Track

Critical to guiding an endeavor as complex as the South Florida Ecosystem Restoration Initiative is a strategic plan that outlines how the restoration will occur, identifies the resources needed to achieve it, assigns accountability for accomplishing actions, and links the strategic goals of the initiative to outcome-oriented annual goals. Such a plan for the South Florida Ecosystem Restoration Initiative has not yet been developed. In addition, although the South Florida Ecosystem Restoration Task Force is responsible for facilitating and coordinating the initiative, it is not a decision-making body. However, as our review of two integral projects indicates, the coordination efforts of the Task Force and the other groups are not always sufficient to prevent schedule delays and cost overruns. Unless these issues are resolved, there is little assurance that the initiative will stay on track and be accomplished in a timely and efficient manner.

South Florida Ecosystem Restoration Initiative Lacks a Strategic Plan

While the Task Force has published several documents and is in the process of developing other strategies and plans to address specific restoration issues, it has not yet developed an overall strategic plan to guide the restoration effort. The benefits of having a strategic plan are many. A strategic plan contains goals and a strategy for achieving these goals, providing focus and direction and a benchmark for measuring performance. Such a plan also triggers a reassessment if progress in achieving the goals is not satisfactory. In addition, a strategic plan establishes priorities and time frames for accomplishing results by identifying the steps and resources necessary to achieve the goals, appropriate milestones, and ways to track or measure progress annually. Measurable goals also provide the Congress, the state of Florida, and the

other participants with a sense of what can be achieved with the level of resources committed.

The Task Force has published several documents —An Integrated Plan for South Florida Ecosystem Restoration and Sustainability: Success in the Making, The Annual Interagency Cross-Cut Budget, the Integrated Financial Plan, and annual reports—that provide information on the restoration activities of the participating agencies. These documents contain some of the components of a strategic plan; however, none, taken either separately or together, contains all the components needed.

Success in the Making

This document, published in April 1998, is intended to be an integrated plan for restoring and sustaining the South Florida ecosystem. Success in the Making identifies three restoration goals. The first goal is to restore more natural hydrologic functions while providing adequate water and flood control. The goal is to deliver the right amount of water, of the right quality, to the right places, at the right times. The second goal—to restore and enhance the natural system—centers on restoring habitats and recovering threatened and endangered species. The third goal—to transform the built environment—requires the development of sustainable lifestyles and economies that do not negatively affect the natural environment. Success in the Making also describes the strategies—adaptive management and innovative management—that the Task Force and its partners have adopted to achieve these long-term goals. However, the goals are not expressed in quantitative or measurable terms that would allow the Task Force to assess whether they have been achieved or how they need to be revised. The strategies presented do not outline how the goals are to be achieved or identify the resources required. In addition, Success in the Making does not describe how annual goals will be used to gauge progress.

Annual Interagency Cross-Cut Budget

This document packages under one cover the justifications for participating organizations' funding requests for restoring the South Florida ecosystem. The document includes a brief narrative describing the intended uses of the funds being requested. However, the document does not link the requests for resources to specific strategic or annual goals. While it includes a budget matrix showing the dollars appropriated to the participating agencies by functional area and fiscal year, this information

is not always consistent with the appropriations data provided by the individual agencies.

Integrated Financial Plan

Under the Water Resources Development Act of 1996, the Task Force is required to prepare an integrated financial plan and recommendations for a coordinated budget request. This plan, which is prepared annually and is designed to facilitate budget development and eliminate duplication of effort, compiles descriptions of restoration projects. The plan is intended to provide information on each project's total estimated costs, starting and ending date, and appropriations to date and to identify the agencies involved in the project. However, the plan does not include all of the projects being undertaken by the participating agencies and does not provide consistent information on the total costs of the projects, the agencies responsible for funding the projects, or the sources and amounts appropriated to date. In addition, the information provided on the appropriations to date does not always match the appropriation data contained in the Cross-Cut Budget. Furthermore, although the plan provides information on the starting dates of projects, the plan is organized on a subregional basis and the identification numbers assigned to specific projects have changed from year to year, making it difficult to determine which projects are scheduled to begin in a particular year. Finally, the plan does not link the projects to the strategic goals outlined in Success in the Making.

Annual Reports

While the Task Force is not required to publish these reports, its Florida-based working group has published an annual report since 1994. These reports summarize the previous years' accomplishments and set goals for the next year. However, because the format and organization of the reports vary from year to year, it is not possible to match the goals set in one year with the accomplishments reported in the following year. Furthermore, the accomplishments cited are not tied to the strategic goals presented in Success in the Making or to specific projects listed in the Integrated Financial Plan, making it difficult to use these reports to evaluate or track the progress made in the restoration initiative.

According to federal and state officials we spoke with, these documents provide general information on the initiative and are good reference

documents. However, none of the officials thought that the documents were useful as management or tracking tools.

In addition to these documents, various strategies or plans are being developed to address specific issues facing the initiative. For example, the Corps has developed the Restudy, which determines the modifications to the Central and Southern Florida Project needed to restore the ecosystem while still providing water and flood control to urban and agricultural sectors. At the same time, the U.S. Fish and Wildlife Service has drafted a multispecies recovery plan to address the recovery of the 68 federally listed threatened or endangered species located in South Florida. In addition, the Environmental Protection Agency and Florida's Department of Environmental Protection recently began to develop a comprehensive water quality protection plan for the South Florida ecosystem. The working group is also developing an Integrated Strategic Plan, which will include a common vision for all the participants and strategies to measure their success in achieving this vision. However, according to our conversations with the project leader, this plan, which will not be complete until 2001, will not include all the components of an overall strategic plan.

Several agency officials and others whom we spoke with during our review agreed that a strategic plan that integrated these plans and other activities proposed by the participating agencies into a "blueprint" for accomplishing the initiative would be very helpful and useful. Such a plan would also allow the agencies and the Congress to evaluate the progress being made and to assess whether the goals of the initiative are being achieved.

Coordination Has Not Prevented Schedule Delays and Cost Overruns

Restoring an ecosystem as vast and complex as the South Florida ecosystem will require extraordinary cooperation. The South Florida Ecosystem Restoration Task Force, established to coordinate the development of consistent policies, strategies, plans, programs, and priorities, is the first partnership of its kind and coordinates restoration activities with federal, state, and local agencies, affected tribes, and the general public. Coordination among these parties is achieved, in large part, through the Task Force's Florida-based working group, composed of top-level managers in Florida from the organizations represented on the Task Force. The working group holds monthly meetings that are open to the public to discuss issues affecting the restoration of the ecosystem. The

Task Force also uses various advisory boards, such as the Governor's Commission for a Sustainable South Florida,⁸ which represents a wide variety of public and private interests, and technical working groups, such as the Science Coordination team, to increase the agencies' sharing of information on restoration projects and programs. In addition, several other outside groups have been established to coordinate and address project-specific issues. Several officials cited the development of the Restudy and its proposed implementation plan by a multidisciplinary team composed of 160 specialists from 30 state, federal, regional, local, and tribal governments as an example of increased coordination.

However, the Task Force is a coordination body, not a decision-making body. Our review indicates that even with the coordination efforts of the Task Force and the other groups, two ongoing infrastructure projects that are integral to the restoration effort are taking longer and costing more than planned. Both the Modified Water Deliveries project and the Everglades National Park-South Dade Conveyance Canals (C-111) project are more than 2 years behind schedule and together could cost about \$80 million more to complete than originally estimated, in part because the agencies involved have not been able to agree on components of the projects. These projects are intended to restore the natural hydrologic conditions in Everglades National Park. Our review of these projects indicates that the federal and state agencies involved are unable to agree on components of these projects, such as the lands to be acquired and the schedules for operating water pump stations.

The Modified Water Deliveries project, authorized by the Everglades National Park Protection and Expansion Act of 1989, is intended to restore the natural hydrologic conditions in Shark River Slough and Everglades National Park. One of the problems associated with this project has been the inability of the participating agencies to reach agreement and make a decision on acquiring the 8.5 Square Mile Area, a residential area in the East Everglades. Originally, the Corps of Engineers, in consultation with Everglades National Park, completed a plan to protect the residents within the 8.5 Square Mile Area, a section in the East Everglades, from further flooding as a result of the project. The Superintendent of Everglades National Park, however, concluded that the plan did not represent a workable solution, and the Corps of Engineers suspended further planning

⁸The Governor's Commission for a Sustainable South Florida was created by Governor Lawton Chiles in Mar. 1994. The Commission is charged with developing recommendations and public support for regaining a healthy Everglades ecosystem with sustainable economies and quality communities. The Commission consists of 47 members representing federal, state, tribal, regional, and local governments as well as business, agricultural, public, and environmental interests.

and design of the plan in 1994. A decision on how to resolve the 8.5 Square Mile Area issue was not made until 1998. With the support of the National Park Service, the local project sponsor recommended the complete acquisition of the area, rather than the original flood protection plan, at an additional federal cost of about \$22 million. This decision, however, faces a number of challenges before it can be implemented, including the completion of a supplemental environmental impact statement by the Corps of Engineers, congressional approval, and opposition from an affected Indian tribe. These challenges may delay the acquisition of the area and, ultimately, the completion of the project.

The C-111 project is intended to restore freshwater flows to Taylor Slough and Everglades National Park and provide flood protection and other benefits to South Dade County. Problems with this project have been the inability to resolve disagreements among agencies and private interests and to acquire needed land in a timely manner. One of the project's water pump stations was constructed on an expedited schedule to provide immediate environmental benefits to the national park. In December 1997, the Corps of Engineers completed the pump's construction. However, as of March 1999, or 15 months after its completion, this pump has not been operated because Everglades National Park and agricultural interests have not been able to agree on an operating schedule. In addition, the National Park Service has not yet acquired lands needed for the operation of the pump. As early as May 1996, the Corps of Engineers notified the National Park Service that these lands were necessary to operate the pump. In 1999, almost 3 years later, the National Park Service made funds available for the condemnation of these lands. Federal officials attributed the delay in acquiring these lands to insufficient funds and staff needed to complete the land acquisition process.

Federal and state officials told us that the agencies involved in the restoration effort have multipurpose missions that differ and sometimes conflict. For example, both the Corps of Engineers and the South Florida Water Management District are responsible for supplying water, controlling flooding, and restoring natural resources. The mission of the Department of the Interior's National Park Service, however, is to preserve unimpaired the natural and cultural resources of the national parks. The inability to resolve disagreements and acquire land in a timely manner has kept Everglades National Park from achieving the anticipated environmental benefits of the C-111 project. Agency officials noted that the C-111 and the Modified Water Deliveries projects are at critical junctures. If the participating agencies cannot resolve their disagreements,

the success of these projects may be jeopardized. In addition, agency officials have commented that without some entity or group with overall management responsibility and authority to resolve differences, problems such as those encountered in implementing these two projects could continue to hinder the initiative.

Appendix V contains a more detailed description of these two projects and the issues that the agencies cannot agree upon.

Conclusions

Restoring the South Florida ecosystem is a complex, long-term effort involving federal, state, local, and tribal entities, as well as public and private interests. The South Florida Ecosystem Task Force, a multiagency group with federal, state, local and tribal representatives, was created to coordinate and facilitate the overall restoration effort. However, a strategic plan has not yet been developed that clearly lays out how the initiative will be accomplished and includes quantifiable goals and performance measures that can be used to track the initiative's progress. In addition, although the Task Force and other groups have improved coordination, our review of two integral projects indicates that coordination does not always achieve consensus and there are times when management decisions are necessary to prevent schedule delays and cost overruns. However, because the Task Force is a coordinating body, not a decision-making body, it is limited in its ability to manage and be accountable for the overall restoration effort. Given the scope and complexity of the initiative and the difficulties already being encountered, unless a strategic or master plan is developed to guide the restoration effort and a mechanism is developed to provide the authority needed to make management decisions, the ability to accomplish the initiative in a timely and efficient manner is at risk.

Recommendations

To ensure that the South Florida ecosystem is restored in a timely and efficient manner, we recommend that the Secretary of the Interior, as the Chairperson of the South Florida Ecosystem Restoration Task Force, in conjunction with the other members of the Task Force,

- develop a strategic plan that will (1) outline how the restoration of the South Florida ecosystem will occur, (2) identify the resources needed to achieve the restoration, (3) assign accountability for accomplishing actions, and (4) link the strategic goals established by the Task Force to outcome-oriented annual goals and

- work with the organizations and entities participating in the restoration effort to develop and agree upon a decision-making process to resolve conflicts in order to accomplish the initiative in a timely and efficient manner.

Agency Comments and Our Evaluation

We provided a copy of this report to the departments of Agriculture, the Army, Commerce, and the Interior; the Environmental Protection Agency; and the South Florida Water Management District for review and comment.

The Department of the Interior provided written comments on behalf of the departments of Agriculture, the Army, Commerce, and the Interior and of the Environmental Protection Agency. The agencies agreed with the importance of strategic planning but stated that our report fails to adequately acknowledge the substantial planning efforts that have already taken place and are ongoing. The agencies pointed out that the Task Force is in the process of developing a plan much like the one called for in our recommendation. The agencies believe that our recommendation—to work with the organizations and entities participating in the restoration effort to develop and agree upon a decision-making process to resolve conflicts—is unrealistic, given the large number of federal, state, tribal, and local governments and agencies involved, and may be of questionable legality, given each agency’s statutory responsibilities and authorities. In addition, the agencies noted that the report focuses only on the federal efforts and ignores the state’s substantial efforts. The agencies also strongly disagreed with our conclusion that additional delays and cost overruns are likely to occur in the future and that the ability to accomplish the initiative’s overall goals is at risk. The agencies further believe that we oversimplified the causes of the delays for the two projects discussed in the report. Finally, the agencies provided some technical clarifications to the report, which we incorporated where appropriate.

We are encouraged that the agencies recognize the value of and need to have a strategic plan. Our report discusses and describes in some detail the documents published by the Task Force that provide information on the restoration effort, including the goals, activities, and accomplishments of the agencies. In addition, while we do not list—nor did we intend to list— all of the various plans and strategies developed by the agencies involved in the restoration effort, we do specifically mention key planning efforts undertaken. However, as we point out in our report, an overall strategic plan that integrates all of the Task Force’s various documents

and planning efforts has not yet been developed. Although the Task Force has begun to develop an Integrated Strategic Plan, which the agencies say will be much like the one our report recommends, this plan is not expected to be complete until 2001. Furthermore, on the basis of our conversations with the project leader responsible for developing the plan, we do not believe that it will include all the necessary components of an overall strategic plan called for in the report.

The agencies disagreed with our recommendation to develop a decision-making process to resolve conflicts because they believe that the creation of an entity to resolve conflicts would infringe upon the sovereign responsibilities of the governments and agencies involved in the effort and would, therefore, be of questionable legality and impractical. Our recommendation does not envision the creation of another body to decide conflicts or issues among the participants in the restoration of the South Florida ecosystem. Rather, we believe that a process for resolving conflicts needs to be established within the existing legal authorities and structures. Because we recognized that the restoration effort involves federal, state, tribal, and local governments and entities that have various missions and authorities, our recommendation was that the Task Force's members work with the organizations and entities involved in the restoration effort to develop and agree upon a decision-making process to resolve conflicts in order to accomplish the initiative in a timely and efficient manner. Furthermore, in its written comments, the South Florida Water Management District, a key player and member of the Task Force, stated that the development and implementation of a conflict resolution process is very workable and would benefit the restoration effort, provided that it did not conflict with the sovereign rights of the entities involved and the decision-making authorities of the agencies. Without some means to resolve agencies' disagreements and conflicts in a timely manner, problems such as those encountered in implementing the projects we reviewed could continue to hinder the initiative.

While the agencies commented that our report focuses only on federal restoration efforts, appendix III includes information on key legislative and administrative actions taken by both the federal government and the state of Florida to restore the South Florida ecosystem. For example, the report cites the state's establishment of the "Save Our Everglades" program in 1983, passage of the Everglades Forever Act in 1994, and establishment of the Governor's Commission for a Sustainable South Florida in 1994.

Although the agencies strongly disagreed with our conclusion that additional delays and cost overruns are likely in the future, we believe that the two projects we reviewed are similar to those that will be conducted in the future and that similar disagreements may occur. As stated in the report, without some means to resolve these disagreements in a timely manner, problems such as those encountered in implementing the two projects could continue to hinder the initiative. In addition, we believe that the report accurately presents areas of disagreement or conflicts that are affecting these two projects. Furthermore, the South Florida Water Management District, the local sponsor for both of these projects, described our characterization of the issues relating to these projects as accurate. The District agreed with the report that these two projects are at critical junctures requiring the expeditious resolution of the outstanding issues. The consolidated response of the federal agencies is presented in its entirety, together with our responses, in appendix VI.

In written comments on a draft of this report, the South Florida Water Management District agreed with our recommendation to develop a decision-making process to resolve conflicts. The District stated that the development and implementation of a conflict resolution process was very workable and would benefit the restoration effort as long as it did not conflict with the sovereign rights of the entities involved and did not relinquish the decision-making authority of the entity that is responsible for making the final decision. The District also described our characterization of the issues relating to the two projects discussed in the report as accurate. Without commenting specifically on our recommendation to develop an overall strategic plan, the District stated that it would be helpful if our report contained specific recommendations on how to improve the Task Force's ongoing strategic planning process. In addition, the District believed that readers of our report would benefit if we included information on (1) the key restoration accomplishments of the state agencies and the Florida legislature in protecting the natural system, (2) some of the positive outcomes of coordination and collaboration by the participants in the restoration effort, and (3) the financial contributions of the state of Florida to the restoration effort.

We believe that our recommendation sufficiently addresses the major elements that should be included in an overall strategic plan for the restoration effort. These include (1) outlining how the restoration will occur, (2) identifying the resources needed to achieve the restoration, (3) assigning accountability for accomplishing actions, and (4) linking the strategic goals established by the Task Force to outcome-oriented annual

goals. We do not believe that we should prescribe more than is contained in our recommendation. Rather, the Secretary of the Interior as Chair of the Task Force, in conjunction with the other Task Force members, should have the flexibility needed to successfully develop the strategic plan.

Because appendix III of the report contains information on the key legislative and administrative actions taken by both the federal government and the state of Florida to restore the ecosystem, we did not include additional information on the state's accomplishments. However, we added a statement to the report highlighting some of the positive outcomes of increased coordination among the stakeholders. We also agree that it is important to recognize the state's financial contributions to the restoration effort and have included this information in our report. In addition, our report points out that the costs of one of the major components of the effort—the \$7.8 billion Restudy—will be shared equally by the federal and state governments. The report also states that the federal and state governments have entered into several agreements to share the cost of land acquisition. The South Florida Water Management District's comments are presented in their entirety, together with our responses, in appendix VII.

Scope and Methodology

To determine how much and for what purposes federal funding was appropriated, obligated and expended for the restoration of the South Florida ecosystem from fiscal year 1993 through fiscal year 1999, we contacted officials from the South Florida Ecosystem Restoration Task Force's Office of the Executive Director. We also reviewed various budgetary documents, such as the Task Force's Annual Interagency Cross-Cut Budget for 1999 and Integrated Financial Plan for 1998. However, because the Task Force does not track obligations and expenditures and no consolidated financial information exists, we contacted both headquarters and field officials from the U.S. Army's Corps of Engineers; the departments of Agriculture, Commerce, and the Interior; and the Environmental Protection Agency to obtain this information. We contacted these agencies because they were the primary federal agencies participating in the restoration initiative. We reviewed the information provided by these agencies but did not independently verify its reliability or trace it to the systems from which it came. We did not verify the completeness or accuracy of the data because such an effort would have required a significant investment of time and resources. However, we did attempt to reconcile inconsistencies in the data provided by the agencies.

To determine how the initiative is being coordinated and managed and what other issues may impede its progress, we interviewed officials from the South Florida Ecosystem Restoration Task Force's Florida-based working group, including representatives of the federal agencies involved in the restoration initiative, the South Florida Water Management District, and the Miami-Dade County Department of Environmental Resources Management. We also met with the chair of the South Florida Ecosystem Task Force, the executive director of the South Florida Ecosystem Task Force, the chair of the working group, the executive director of the Southern Everglades Restoration Alliance, the executive director of the South Florida Water Management District, and the counselor to the Assistant Secretary for Fish and Wildlife and Parks. In addition, we met with representatives of the Miccosukee Tribe, the National Audubon Society, and the Tropical Audubon Society, as well as the director of the Southeast Environmental Research Program at Florida International University. Because the initiative is just beginning, we reviewed two ongoing infrastructure projects integral to the restoration effort to assess how well the effort was being coordinated and managed. In addition, we reviewed applicable laws and regulations, reports, plans, and other documents relevant to the restoration effort.

We conducted our review from September 1998 through April 1999 in accordance with generally accepted government auditing standards.

We are providing copies of this report to the Honorable Dan Glickman, Secretary of Agriculture; the Honorable William M. Daley, Secretary of Commerce; the Honorable William S. Cohen, Secretary of Defense; the Honorable Bruce Babbitt, Secretary of the Interior; the Honorable Carol Browner, Administrator of the Environmental Protection Agency; and other interested parties. We will also make copies available to others upon request.

If you or your staff have any questions, please call me at (202) 512-3841.
Major contributors to this report are listed in appendix VIII.

A handwritten signature in black ink, appearing to read "Victor S. Rezendes". The signature is fluid and cursive, with the first name "Victor" and last name "Rezendes" clearly distinguishable.

Victor S. Rezendes
Director, Energy, Resources,
and Science Issues

List of Requesters

The Honorable Frank H. Murkowski
Chairman, Committee on Energy and
Natural Resources
United States Senate

The Honorable Slade Gorton
Chairman, Subcommittee on
Interior and Related Agencies
Committee on Appropriations
United States Senate

The Honorable Ralph Regula
Chairman, Subcommittee on
Interior and Related Agencies
Committee on Appropriations
House of Representatives

The Honorable Tillie Fowler
Chair, Subcommittee on Oversight,
Investigations, and Emergency Management
Committee on Transportation and Infrastructure
House of Representatives

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Other Issues That Might Impede the Progress of the Initiative

Because we are looking for the first time at this major initiative, you asked us to identify any other issues that might impede its progress in the future. Although we have not conducted additional work in this area, on the basis of our discussions with agency officials and others involved in restoration efforts, we have identified the following potential areas of concern:

Land Acquisition

Land is critical for many ecosystem restoration projects. It is needed to store water and recharge aquifers to help restore natural hydrology. It is also needed to construct water quality treatment areas and preserve corridors for wildlife to move throughout their habitats. According to some agency officials, land is not always available when needed for infrastructure projects, and the time required for acquisition can delay a project's implementation. Because federal, state, and local agencies are involved in acquiring lands, some officials believed that a strategy to coordinate the efforts of all of these agencies may be needed.

The federal government has obligated about \$274 million for land acquisition, and more will be needed. Some officials questioned whether current appraisal standards are meeting federal requirements. In addition, because of the various agreements between the state and federal governments to share the cost of land acquisition and the lack of consolidated financial information on the initiative, it is unclear whether and how these agreements are being applied.

Water Quality

Improving water quality is critical to restoring ecosystems. Without clean water, ecosystems cannot be protected, reestablished, or sustained. The Environmental Protection Agency has completed a water quality protection plan for the Florida Keys National Marine Sanctuary and intends to develop a water quality plan for the entire South Florida ecosystem. Despite these efforts, several officials we spoke with maintained that water quality issues have not been sufficiently addressed or integrated into the initiative.

Science Issues

To be successful, restoration decisions must be based on sound applied science. Federal agencies have spent about \$128 million on research and monitoring in South Florida since 1993. However, their scientific

Appendix I
Other Issues That Might Impede the
Progress of the Initiative

understanding of how the ecosystem functions is not complete. While federal and nonfederal agencies are continuing to conduct research and monitoring, according to officials, it is unclear how their findings are shared and incorporated into restoration projects' design and operation.

Federal, State, County, and Tribal Participants in the South Florida Ecosystem Restoration Effort

The following lists the federal, state, local and tribal participants in the South Florida Ecosystem Restoration Initiative.

Federal Departments and Agencies

Department of Agriculture
Agricultural Research Service
Natural Resources Conservation Service

Department of Commerce
National Oceanic and Atmospheric Administration

Department of Defense
Department of the Army (Corps of Engineers-Civil Works)

Department of Housing and Urban Development

Department of the Interior
Bureau of Indian Affairs
National Park Service
U.S. Fish and Wildlife Service
U.S. Geological Survey

Department of Justice

Department of Transportation
Federal Highway Administration
Federal Transit Authority.

Environmental Protection Agency

Florida State Government

Florida Department of Agriculture and Consumer Affairs

Florida Department of Environmental Protection

Florida Game and Fresh Water Fish Commission

South Florida Water Management District

Florida Department of Community Affairs Strategic Planning and Coordination Unit

**Appendix II
Federal, State, County, and Tribal
Participants in the South Florida Ecosystem
Restoration Effort**

Governor's Commission for a Sustainable South Florida

Office of the Governor of Florida

Florida Counties

Broward
Charlotte
Collier
Dade
Glades
Hendry
Highlands
Lee
Martin
Monroe
Okeechobee
Osceola
Orange
Palm Beach
Polk
St. Lucie

**Native American
Tribes**

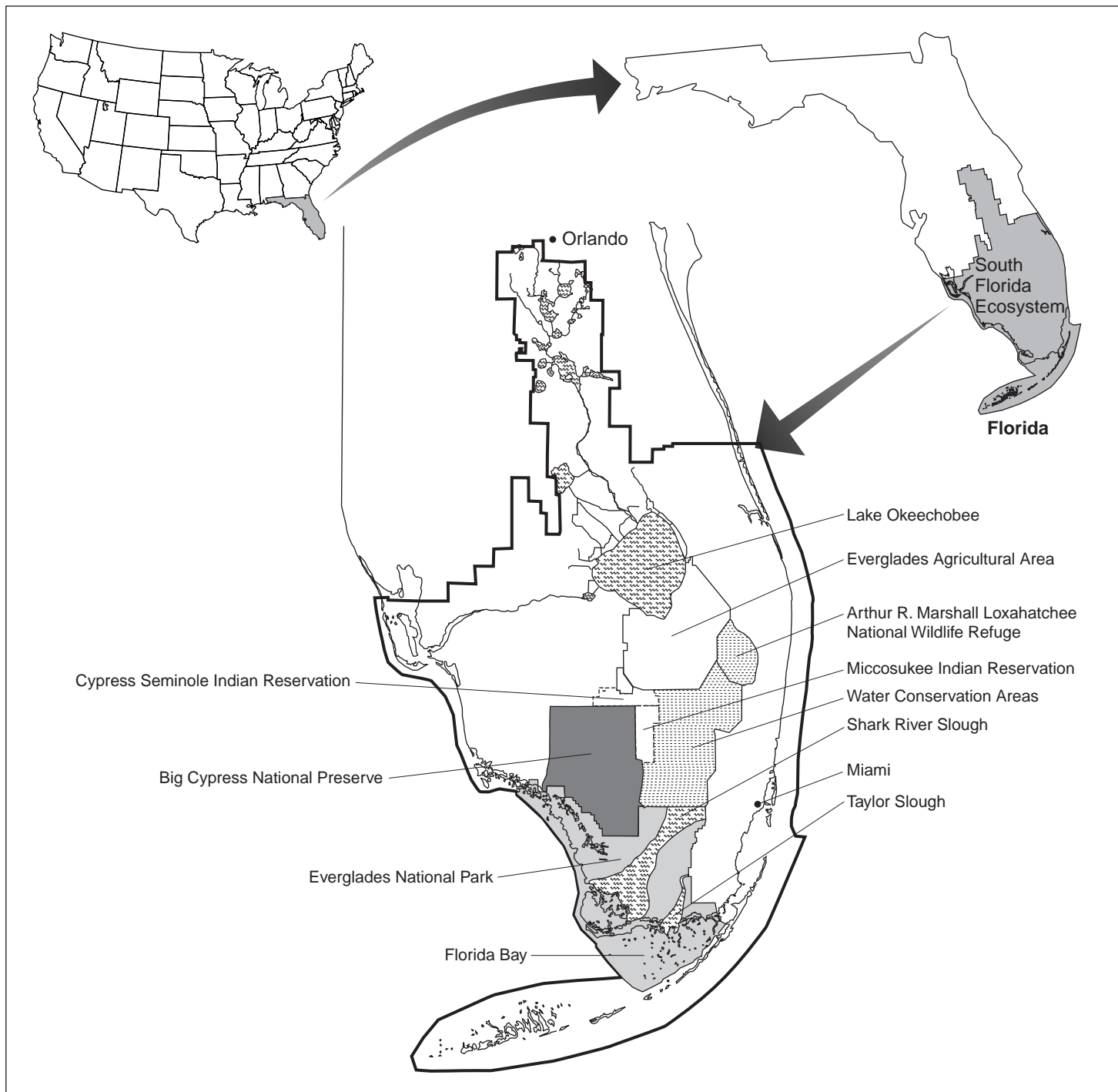
Miccosukee
Seminole

The South Florida Ecosystem and Efforts to Restore It

The flow of water has substantially shaped the environment and economy of central and southern Florida. This region, which extends over 18,000 square miles, is unique in that national parks, wildlife refuges, agricultural lands, urban areas, and Indian reservations all share the land. As a result, any type of human activity that alters the quality or flow of water in one area of southern Florida can affect the environment or economy of other areas. Over the past 50 years, engineering projects have altered the quantity and timing of the water's flow, agricultural runoff has altered the quality of the water, and urbanization has fragmented the region's ecosystem. These changes have caused areas in southern Florida—including the Everglades (described as a river of grass) and Florida Bay (located at the southern tip of the Florida peninsula)—to show signs of environmental distress. Figure III.1 shows the South Florida ecosystem and its components.

**Appendix III
The South Florida Ecosystem and Efforts to
Restore It**

Figure III.1: The South Florida Ecosystem and Its Components



Appendix III
The South Florida Ecosystem and Efforts to
Restore It

Note: The South Florida ecosystem boundary includes the near shore coastal waters, which extend approximately three miles from shore.

Source: GAO's adaptation of an illustration prepared by the South Florida Ecosystem Restoration Task Force.

During recent decades, engineering projects, such as the Central and Southern Florida Project,¹ have altered the water's flow and reduced the area where water can be stored for dry seasons. These engineering changes, coupled with agricultural and industrial activities and urbanization, have reduced the Everglades to about half its original size and have had a detrimental effect on the environment. Wildlife populations have declined significantly, and some scientists believe that the reduced flow of freshwater into Florida Bay may be hastening its environmental decline.

Recognizing that the natural system had been damaged, the federal government and the state of Florida have taken a number of actions directed at managing growth and protecting the natural environment. Table III.1 outlines some of the legislative and administrative actions that have been taken to restore the South Florida ecosystem.

Table III.1: Actions Taken to Restore the South Florida Ecosystem.

Date	Event
1947	Everglades National Park was established. The park encompassed 1.3 million acres of land.
1948	The Congress authorized the Central and Southern Florida Project to provide water and flood protection for urban and agricultural areas.
1969	The National Environmental Policy Act was passed. The act established federal environmental review and compliance procedures.
1972	The Florida Water Resources Act established a fundamental water policy for Florida, attempting to meet human needs and sustain the natural system. The Florida Land Conservation Act, which authorized the issuance of bonds to purchase environmentally endangered and recreation lands, was also passed.
1983	The Governor's Save Our Everglades program was initiated. This partnership between the South Florida Water Management District and state and federal agencies was to work toward restoring the natural components of the ecosystem.
1984	Florida's Warren Henderson Act gave the Florida Department of Environmental Regulation (now the Department of Environmental Protection) the authority to protect the wetlands and surface water of the state for the public interest.

(continued)

¹The Central and Southern Florida Project, first authorized by the Congress in 1948, is a project to control flooding and supply water for agricultural and urban areas.

Appendix III
The South Florida Ecosystem and Efforts to
Restore It

Date	Event
1985	Florida's Local Government Comprehensive Planning and Land Development Regulation Act required the development and coordination of local land-use plans.
1987	The Florida Surface Water Improvement and Management Act required Florida's five water management districts to develop plans to clean up and preserve the state's lakes, bays, estuaries, and rivers.
1989	The Everglades National Park Protection and Expansion Act of 1989 authorized the addition of about 107,000 acres to the park. The act also authorized the Modified Water Deliveries project, which, when completed, would restore more natural water deliveries into the northeastern Shark River Slough.
1990	The Florida Preservation 2000 Act established a coordinated land acquisition program to protect the integrity of ecological systems and to provide multiple benefits, including the preservation of fish and wildlife habitat, recreation space, and water recharge areas.
1990	The Florida Keys National Marine Sanctuary and Protection Act established a 2,800-square-nautical-mile marine sanctuary and authorized a water quality protection plan for the area.
1991	The Florida Everglades Protection Act provided water management districts with tools for restoring ecosystems.
1992	The Water Resources Development Act authorized the Kissimmee River Restoration Project to restore the historic floodplain of the Kissimmee River basin. The act also authorized the Central and Southern Florida Project Comprehensive Review Study (Restudy) to develop modifications to the project that would result in the restoration of the Everglades and Florida Bay ecosystems and provide for other water-related needs of the region.
1993	The South Florida Ecosystem Restoration Task Force was created to coordinate ongoing federal restoration efforts.
1994	The Florida Everglades Forever Act was passed. It established a plan to restore significant portions of the South Florida ecosystem through construction, research, and regulation. This same year, the Governor's Commission for a Sustainable South Florida was established to make recommendations for achieving a healthy South Florida ecosystem that can coexist with and mutually support a sustainable economy and quality communities.

The Water Resources Development Act of 1996 directed the Corps of Engineers to develop a comprehensive plan for the purposes of restoring, preserving, and protecting the South Florida ecosystem. This comprehensive plan, known as the Restudy, is to be submitted to the Congress no later than July 1, 1999. The act also formalized the Task Force and expanded its membership to include state, local, and tribal representatives and outlined specific responsibilities for the Task Force that include the following:

- Consult with, and provide recommendations to, the Secretary of the Army and the nonfederal project sponsor in developing a comprehensive plan

(the Restudy) for the purposes of restoring, preserving, and protecting the South Florida ecosystem;

- Coordinate (1) the development of consistent policies, strategies, plans, programs, and priorities for addressing the restoration, preservation, and protection of the South Florida ecosystem and (2) scientific and other research associated with the restoration;
- Facilitate the resolution of interagency and intergovernmental conflicts associated with the restoration of the South Florida ecosystem;
- Prepare an integrated financial plan and recommendations for coordinated budget requests for the funds proposed to be expended by the agencies and entities represented on the Task Force; and
- Submit biennial reports to the Congress on the progress of the restoration efforts.

To carry out these duties, the Task Force established a Florida-based working group that included representatives of the agencies and entities represented on the Task Force, as well as other governmental entities as appropriate, for carrying out the priorities of the Task Force. In addition, the Governor's Commission for a Sustainable South Florida was formally designated an official advisory body to the Task Force in 1997.

Comparison of Appropriations, Obligations, and Expenditures, by Federal Agency, for the South Florida Ecosystem Restoration Initiative, Fiscal Years 1993-98

Dollars in millions

Agency	1993			1994			1995			Approp.
	Approp.	Obl.	Exp.	Approp.	Obl.	Exp.	Approp.	Obl.	Exp.	
Department of Agriculture										
Agricultural Research Service	2.8	2.8	2.8	3.0	3.0	3.0	2.1	2.1	2.1	2.0
Natural Resources Conservation Service	1.9	1.9	1.9	1.9	1.9	1.9	2.9	2.9	2.9	3.4
Department of Commerce										
National Oceanic and Atmospheric Administration	12.1	12.1	12.1	12.6	12.6	12.6	15.6	15.6	15.6	13.9
Department of Defense										
Corps of Engineers	24.7	23.3	22.4	51.5	35.6	34.9	36.5	31.0	32.1	28.6
Department of the Interior										
Bureau of Indian Affairs	0.0	0.0	0.0	0.4	0.4	0.4	0.4	0.4	0.4	0.4
National Park Service	28.2	20.3	20.1	26.2	28.9	26.6	37.7	46.1	28.0	22.3
U.S. Fish and Wildlife Service	8.3	8.0	7.3	9.8	6.8	7.2	8.7	8.5	8.8	8.2
U.S. Geological Survey	2.0	2.0	1.9	2.7	2.7	2.5	7.0	7.0	6.6	10.7
1996 Farm Bill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	200.0
Environmental Protection Agency ^{a,b}	5.3	5.3	5.3	6.4	6.4	6.4	9.1	9.1	9.1	9.0
Total^c	85.3	75.8	73.8	114.5	98.3	95.6	120.1	122.6	105.6	298.4

**Appendix IV
Comparison of Appropriations, Obligations,
and Expenditures, by Federal Agency, for
the South Florida Ecosystem Restoration
Initiative, Fiscal Years 1993-98**

1996			1997			1998			Total	
Obl.	Exp.	Approp.	Obl.	Exp.	Approp.	Obl.	Exp.	Approp.	Obl.	Exp.
2.0	2.0	2.0	2.0	2.0	3.3	3.3	3.3	15.3	15.3	15.3
3.4	3.4	3.5	3.5	3.5	3.5	3.5	3.5	17.2	17.2	17.2
13.9	13.9	17.4	17.4	17.4	16.4	16.4	16.4	88.2	88.2	88.2
33.6	32.2	40.0	44.5	44.5	45.3	48.3	47.4	226.6	216.4	213.5
0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	2.0	2.0	2.0
20.9	21.3	41.2	43.9	36.6	120.4	46.7	40.0	276.0	206.8	172.6
8.8	8.4	7.7	7.7	7.5	9.7	10.2	9.5	52.4	50.1	48.7
10.7	10.5	8.6	8.6	8.6	8.6	8.6	8.6	39.5	39.5	38.8
0.0	0.0	0.0	35.2	35.2	0.0	163.3	3.4	200.0	198.5	38.6
9.0	9.0	9.3	9.3	9.3	9.9	9.9	9.9	48.9	48.9	48.9
102.8	101.2	130.2	172.7	165.2	217.6	310.6	142.4	966.1	882.9	683.8

**Appendix IV
Comparison of Appropriations, Obligations,
and Expenditures, by Federal Agency, for
the South Florida Ecosystem Restoration
Initiative, Fiscal Years 1993-98**

Legend

Approp. = appropriations

Obl. = obligations

Exp. = expenditures

Note: This table is meant to compare the amounts appropriated, obligated, and expended for each year of the initiative. We did not include fiscal year 1999 appropriations because comparable data for fiscal year 1999 obligations and expenditures do not exist.

^aNot included under infrastructure investment is the Environmental Protection Agency's State Revolving Fund which supports various capital projects by the state, including some that may have restoration benefits. Since many of the grants may not be related to ecosystem restoration and the Environmental Protection Agency was not able to provide more details about the projects funded, we did not include it here.

^bThe Environmental Protection Agency does not track obligations. However, to accurately represent the total amount obligated to the restoration initiative, we assume that the Environmental Protection Agency's obligations equal expenditures.

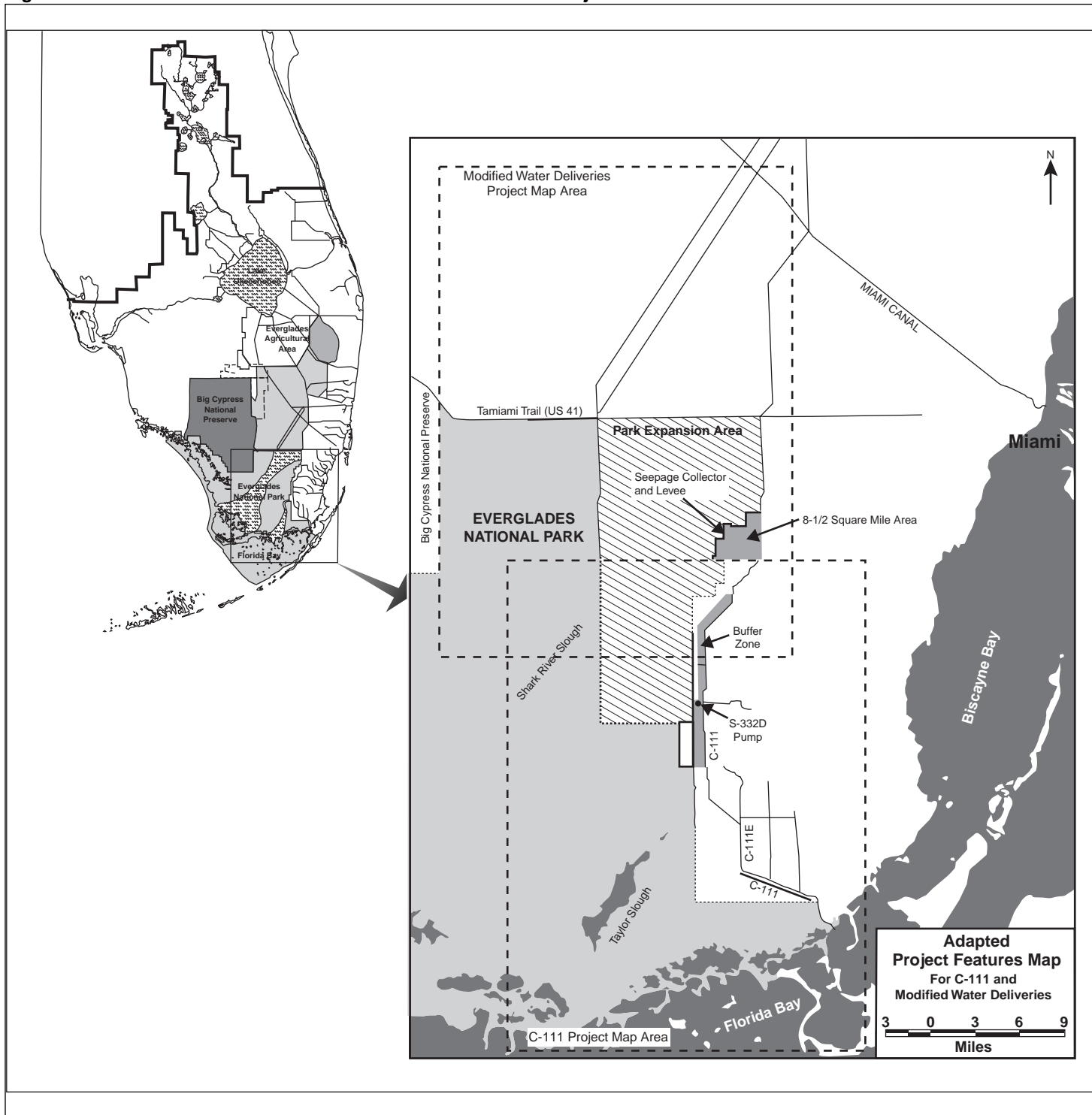
^cIndividual totals may not equal the sum of the agency amounts because of rounding.

The Modified Water Deliveries and C-111 Projects

Two ongoing infrastructure projects that are integral to the restoration effort are taking longer and costing more than planned. Both the Modified Water Deliveries project and the Everglades National Park-South Dade Conveyance Canals (C-111) project are more than 2 years behind schedule and together could cost about \$80 million more to complete than originally estimated, in part because the agencies involved have not been able to agree on components of the projects. These projects are intended to restore natural hydrologic conditions in Everglades National Park. Figure 5 shows the location of both projects. A description of these two projects and the issues that the agencies cannot agree upon follows.

Appendix V
The Modified Water Deliveries and C-111
Projects

Figure V.1: Location of the Modified Water Deliveries and C-111 Projects



(Figure notes on next page)

Source: GAO's adaptation of a map prepared by the U.S. Army Corps of Engineers

Modified Water Deliveries Project

Authorized by the Everglades National Park Protection and Expansion Act of 1989 (P.L. 101-229), the Modified Water Deliveries project involves structural modifications and additions to the existing Central and Southern Florida Project. The Modified Water Deliveries project was designed to reestablish natural hydrologic conditions in Shark River Slough in Everglades National Park. This project is important because it will help restore and maintain the plants and wildlife of Everglades National Park. The act also required the Department of the Interior, by 1994, to acquire 107,600 acres that will allow the new features of the Modified Water Deliveries project, as well as portions of the C-111 project, to take effect. The Modified Water Deliveries project involves constructing eight structures to control the flow of water, modifying an existing control structure, and removing an existing levee. In addition, the act requires the Corps of Engineers to protect the residents within the 8.5 Square Mile Area from further flooding as a result of the project. The mitigation plan includes adding a levee and a seepage-collector canal system along the western boundary of the 8.5 Square Mile Area.

Although the Corps of Engineers is responsible for designing and constructing the project, the Department of the Interior is responsible for funding it. Once the project is completed, the South Florida Water Management District will operate its structures. Originally, the Modified Water Deliveries project was expected to cost \$81 million and to be completed in 1997. Currently, the project is expected to cost about \$132 million and is not expected to be completed until 2003.

The Modified Water Deliveries project has encountered a number of problems, including the participating agencies' inability to decide on the future of the 8.5 Square Mile Area. In June 1992, the Corps of Engineers, in consultation with Everglades National Park, completed a report that included a mitigation plan to protect the area from additional flooding. Subsequently, the Superintendent of Everglades National Park concluded that the mitigation plan did not represent a workable solution. According to the Superintendent, the mitigation plan would prevent regular flooding of the 8.5 Square Mile Area from getting worse but would not provide full flood protection, which the residents would demand as the area continued to grow. Because agreement could not be reached on the 8.5 Square Mile Area, the Corps suspended further planning and design of the mitigation plan in 1994. Between 1994 and 1998, Everglades National Park sought

alternatives to the 8.5 Square Mile Area mitigation plan through other forums, such as the Governor's Commission for a Sustainable South Florida. During this time, several studies were undertaken to evaluate a number of alternatives, including the partial buyout of the 8.5 Square Mile Area and the addition of a 1/2-mile-wide buffer zone to hold water. In 1998, Everglades National Park notified the Corps that the park would no longer fund the mitigation plan because it would not benefit the park.

In December 1998, the Superintendent of Everglades National Park endorsed the decision of the Governing Board of the South Florida Water Management District to acquire the entire 8.5 Square Mile Area rather than implement the mitigation plan agreed to in 1992. However, before the land can be acquired, a number of challenges must be resolved. First, the Corps must conduct a supplemental environmental impact statement and seek congressional approval. In addition, a legal challenge from the Miccosukee Tribe must be addressed. The tribe is claiming that the decision to acquire the 8.5 Square Mile Area was made in violation of the Sunshine Act. Finally, the land must be acquired from all residents, including some unwilling sellers. Any of these challenges could delay the acquisition of the area and, in turn, further delay the completion of the project and increase its cost. Acquiring the 8.5 Square Mile Area alone will increase the federal cost of the project by about \$22 million.

Everglades National Park – South Dade Conveyance Canals (C-111) Project

The C-111 project is at the southern end of the Central and Southern Florida Project. The project was originally authorized by the Flood Control Act of 1968 (P.L. 90-483), and in May 1994, this project underwent a reevaluation and environmental impact analysis. The goal of this project is to restore the natural timing, distribution, and quantity of freshwater flows to Taylor Slough and the wetlands in the panhandle of Everglades National Park. This project will help maintain the park's natural vegetation. Major components of the project include constructing five water pump stations, modifying the existing water management system, and creating a buffer zone to hold water aboveground in order to avert further loss of water from Everglades National Park through seepage.

Although work on the project is continuing, the agencies have not reached an agreement on the operation of one of its completed pump stations. In 1996, the Corps of Engineers expedited the construction of water pump station S-332D with the concurrence of Everglades National Park and the South Florida Water Management District. S-332D would increase the water level in an adjacent canal to prevent the loss of water from

Everglades National Park. The Corps finished constructing the pump in December 1997. The pump has not been operated because neighboring agricultural interests were concerned that the proposed water level in the adjacent canal would lead to flooding and damage to their crops. Meanwhile, the agricultural interests, the Corps of Engineers, and Everglades National Park are updating their models to determine what water level in the canals will benefit Everglades National Park and protect farmers' crops from flooding.

Another reason why the pump has not been operated is related to the acquisition of lands near the S-332D pump. In May 1996, the Corps requested the National Park Service to acquire the lands immediately north of S-332D. Acquisition of the S-332D lands was necessary to avoid delays in the planned operation of the pump and other related design and construction activities. As we prepared to issue this report, the National Park Service had just made funds available, almost 3 years later, for the condemnation of these lands. The delay in the purchase of the S-332D land is representative of the difficulties that the National Park Service has encountered in expanding Everglades National Park. According to officials, the delay in the acquisition of these lands was due to insufficient funds and staff needed to condemn the lands. Because of the disagreements over water levels and the delay in acquiring needed lands, the S-332D pump has remained idle for more than a year.

Comments From the Department of the Interior on Behalf of Five Federal Agencies

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

APR 7 1999

Mr. Victor S. Rezendes
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441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Rezendes:

Thank you for the opportunity to review the draft General Accounting Office (GAO) report entitled *South Florida Ecosystem Restoration: An Overall Strategic Plan and Decision-Making Process Needed to Keep Effort On Track*. I am responding to this report on behalf of the five Federal agencies that were asked to comment: the Department of the Interior (DOI), the Department of the Army on behalf of the Corps of Engineers (COE), the Environmental Protection Agency (EPA), the National Oceanic and Atmospheric Administration on behalf of the Department of Commerce (NOAA), and the Department of Agriculture. Because of the nature and extent of Federal agency cooperation involved in this restoration effort, the Administration believes an interagency response is appropriate. Given the short period of time we have been given to respond to the draft report, we may provide additional comments at a later time.

While I serve as chair of the South Florida Ecosystem Restoration Task Force, my comments are not on behalf of the Task Force itself. The Task Force no longer is composed of only Federal agencies, but was made statutory and expanded by Congress in 1996 to include representatives of the State of Florida, local and regional governments, and two tribes.

Restoration of the Everglades is an unprecedented effort, the largest ecosystem restoration initiative ever undertaken. Restoration has enormous implications for the Everglades and the other extremely important areas of the south Florida ecosystem, but also is crucial for the future of south Florida in terms of water supply and flood protection.

Because of the enormity and importance of this initiative, the Federal Government has entered into unprecedented relationships with the State of Florida and tribal, regional, and local governments to guide our collective efforts, despite diverse missions and authorities. The progress being made, largely under the auspices of the Task Force, is a result of these partnerships and, at the Federal level, from the substantial bipartisan efforts of the Congress and the Administration.

We welcome GAO's review of this important and far-reaching initiative. We also welcome the opportunity to respond.

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See comment 1.

Strategic planning

We agree with GAO on the importance of strategic planning. However, we believe that the GAO Report has greatly understated the many positive accomplishments to date, and the positive coordination and leadership role played by the South Florida Ecosystem Restoration Task Force. In fact, we are engaged in the development of a plan much like the one recommended. But we believe GAO fails adequately to acknowledge the substantial planning efforts that already have taken place and those which are ongoing. The Task Force has engaged in unprecedented efforts to coordinate planning; setting forth overall goals for the initiative; reaching consensus and resolving conflicts; and, preparing integrated financial plans, cross-cut-budgets, and documents enumerating progress to date. Furthermore, we believe the report is remiss in failing to mention the Clinton/Gore Administration Plan for Restoration of the Everglades announced in 1996 and utilized heavily by the Administration as its guide. Other significant plans omitted from the report include the conceptual plan developed by the Governor's Commission for a Sustainable South Florida, which has served as the guiding framework for the restoration efforts, the Central and South Florida Project Comprehensive Review Study (Restudy), and the Multispecies Recovery Strategy developed by the U.S. Fish and Wildlife Service, the first of its kind to help guide land and water use planning with respect to their impacts on Federally-listed species and their habitat.

As noted above, we believe the report inadequately addresses the Restudy being prepared by the COE. The Restudy is an integral part of an overall strategic plan for restoration of the South Florida ecosystem. In fact, the Restudy will be the heart and most important part of the overall strategy. Getting the water right is fundamental to the success of the restoration effort. We have a high level of confidence that the Restudy's flexible, adaptive-management based approach will be completely consistent with the overall strategic plan that is developed. We also believe the Restudy has developed a suite of performance measures that will become the foundation for comprehensive indicators for the overall restoration effort.

Once authorized, the Restudy will provide a framework for meeting the South Florida Ecosystem Restoration Task Force's stated goals for restoring the ecosystem's hydrologic functions and restoring or enhancing the natural system. Furthermore, Restudy implementation will provide a mechanism for recognizing and accounting for other Federal and State efforts that are designed to address other restoration issues.

See comment 2.

Resolution of disputes

We believe that to date, the Task Force has made significant progress in facilitating coordination, developing consensus, and resolving conflicts as contemplated by Congress in the 1996 Water Resources Development Act. (Sec. 528(f)(2)(F), 110 Stat. 3772, Oct. 12, 1996.) We believe that GAO's suggestion of a single decision-making process is unrealistic given the many Federal,

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State, tribal and local governments and agencies involved. Further, we believe that the recommendation may be of questionable legality given each agency's statutory responsibilities and authorities.

Rather, we believe the mechanism that already exists, i.e., the Task Force and its Working Group, places the initiative in a far superior position to avoid delays and cost overruns than is the case in other major projects involving multiple agencies and jurisdictions. As with any project of this magnitude, the extent of future delays and cost overruns is purely speculative. We are committed to keeping them at a minimum.

In addition, we believe that GAO overstates the case when, based on its two observations regarding planning and dispute resolution, it concludes that "additional delays and cost overruns are likely to occur in the future, and the ability to accomplish the initiative's overall goals is at risk." We strongly disagree with this conclusion. As discussed more fully in the enclosed response, GAO oversimplifies the causes for delay of two projects, as well as our ability to resolve these disputes. Far from being at risk, tangible progress is being made in meeting the overall goals of the initiative. The Task Force has articulated three goals for the restoration initiative: (1) get the water right; (2) restore and enhance natural areas; and (3) transform the built environment. We are doing very well in the first two goals and the State of Florida is starting to see progress on the third.

General comments

More broadly, we believe the report needs to place these issues in a fuller context. For example, we believe the report needs to more fully address the history of the restoration effort to avoid the appearance that restoration efforts began in 1993. The plight of the Everglades has had national and statewide attention for many decades and has been the subject of numerous laws enacted by Congress as well as the Florida Legislature. One cannot appreciate the progress we have made without understanding that history. The report would also be enhanced with a more thorough discussion of the role of the Governor's Commission for a Sustainable South Florida in the restoration effort.

In addition, the report focuses almost exclusively on efforts to restore the Everglades when, in fact, this is only one part of the overall restoration effort. The restoration effort is about restoring the timing, quantity, and quality of water delivery to a variety of areas including the coastal bays and estuaries. Ultimately, the water flows to the coast, so "getting the water right" for south Florida coastal areas is one of the most important indicators of success for the overall effort. The report does not address this important aspect.

Although this report was requested to address how well the restoration effort is being coordinated and managed, it focuses only on the Federal efforts to restore the south Florida ecosystem, omitting any mention of the substantial State of Florida efforts. This is an unfortunate limitation to the report because it fails to demonstrate the historical commitment of the State to restoration.

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Again, this frustrates understanding of the complexity of the effort and the progress we have made.

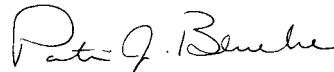
Regarding the level of Federal funding which has been and is expected to be provided for this initiative, we believe the report mischaracterizes the amount of funding spent on new programs because of the Everglades restoration initiative versus the amount of base program funding allocated to ongoing agency programs in south Florida. As much as two-thirds of the \$1.2 billion figure cited by GAO represents on-going agency base programs, projects, and operation and maintenance expenses in south Florida.

Furthermore, regarding the \$7.8 billion figure cited for implementation of the Restudy projects, one needs to understand that these are at best a current estimate of costs that are to be shared equally with the State of Florida over a significant number of years, perhaps as many as 30 years. We question the \$11 billion figure used by GAO. The figure includes estimates for the Restudy, already authorized State and Federal capital projects, and Federal expenditures for the last six years, the majority of which are for routine expenditures. Finally, one must place the cost of the largest ecosystem restoration ever undertaken in context with other expenditures such as the \$9-10 billion CALFED Bay-Delta project, \$8.6 billion New York City Water Project, the \$8.5 billion Boston Central Artery and Tunnel, the \$4.7 billion Miami International Airport capital improvement program, and the \$1.8 billion Woodrow Wilson Bridge replacement.

Again, we appreciate the opportunity to provide comments on the draft GAO report. Specific comments regarding the recommendations as well as other issues mentioned by GAO are included in an enclosure to this letter.

If you have any questions or need additional information, please call me at (202) 208-3186.

Sincerely,



Patricia J. Beneke
Assistant Secretary for Water and Science
Department of the Interior

Enclosures

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Federal Agency Response to GAO Report
Plan and Decision-Making Authority Needed to Keep Effort on Track
(GAO/RCED-99-121)

I. GAO REPORT RECOMMENDATIONS

The report contains two recommendations: (1) develop an overall strategic plan that outlines how restoration will occur, identifies needed resources, assigns accountability for accomplishments, and links strategic goals to outcome-oriented annual goals; and (2) develop a decision-making process to resolve conflicts so as to avoid delays.

A. NEED FOR A STRATEGIC PLAN

We believe the GAO draft report needs to capture the long history of the restoration and sustainability effort in south Florida. That history and the existence of the multitude of entities and authorities involved highlights the challenges to the effort, but, we believe, also demonstrates why the current coordination approach has merit. Furthermore, the issues of local initiative and local control would make such central authority undesirable and politically unrealistic.

The report acknowledges that there are 14 Federal agencies involved. It also recognizes that other entities that govern or have impacts on restoration include no fewer than two tribes, 13 state and regional agencies, 16 counties, over 100 cities, and a multitude of private industry and advocacy groups – all affecting South Florida ecosystem restoration. Each of these entities has its own plans with goals and activities. Many include performance measures. The missions and authorities of these entities vary widely. Just among the federal agencies -- the Army Corps of Engineers (COE), the National Park Service (NPS), and the Environmental Protection Agency (EPA), to name a few -- there are widely different roles. Consider the diverse missions of the South Florida Water Management District (SFWMD) and the Florida Departments of Agriculture, Community Affairs, and Transportation. Add to this the land use authority of local governments, such as Dade County and the City of Ft. Lauderdale, and goals of the local economic development councils and two things become very clear. First, centralized planning and authority are unrealistic and would be viewed by many as undesirable. Second, *coordination* of planning and authorities is essential.

In recognition of this, Congress in the 1996 Water Resources Development Act (WRDA) directed the South Florida Ecosystem Restoration Task Force to “coordinate the development of consistent policies, strategies, plans, programs, projects, activities, and priorities for addressing the restoration, preservation, and protection of the south Florida ecosystem.” (Sec. 528(f)(2)(B), 110 Stat. 3772, Oct. 12, 1996). (The statutory provisions authorizing the Task Force and setting forth its duties are attached hereto). We believe the Integrated Strategic Plan being developed by the Task Force will accomplish this duty. The Integrated Strategic Plan is the next step in the evolution of south Florida ecosystem restoration coordination. An important first step in laying out the coordination and challenges was the April 1998 Task Force document An Integrated Plan for South

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Florida Ecosystem Restoration and Sustainability: Success in the Making. This document was created to describe the problems in south Florida and the vision and goals that had been agreed to by the Task Force and Working Group members at that time, and to summarize the projects that were underway or completed by those groups. It set the stage for what it calls "the next step...*the development of a long range, integrated strategic plan* that will synthesize existing plans and activities throughout the region and serve as the framework for future adaptive management for the next 50 years."

Last year, the Task Force Working Group began developing the Integrated Strategic Plan. The plan will affirm a common vision of what a restored and sustainable south Florida would look like and establish how each entity contributes to that vision and is critical to its success. Through the planning process, community leaders and decision-makers at all levels of the public and private sector are being engaged to establish a common vision and broad goals for the region. These goals will reflect the interrelationships of the natural environment, the economy, and society--and stress each element's dependence on the other.

Consistent with GAO's recommendations, the plan will identify the agencies with responsibility and authority to address restoration goals. Plans and programs underway will be identified and a methodology will be established to report progress. Projects that exemplify sustainability will be collected and showcased. The Task Force Working Group will develop strategies for achieving the goals and creative ways to implement them, including incentives and technical assistance. The final phase of the plan will determine ways to measure our success and create a system to track progress. The plan is well underway and is expected to be complete in 2001, if it is fully funded.

The plan will not have the weight of law, nor provide new regulatory authority. Instead, it will document a common vision and the benefits of sustainable practices. If the planning process is successful, the entities in the region will understand the interrelationships and participate in achieving a common regional vision and goals. Most importantly, these individual authorities with responsibility for actually carrying out the projects will formulate their long range and annual plans in accordance with the concepts outlined in the strategic plan.

We believe this planning process supports and helps to document the work of the Task Force and fits the model chosen by Congress. (See statutory provisions attached). Congress asked for and has reason to expect coordination. If given adequate resources, we believe the Task Force can serve that function.

The draft GAO report is critical of several other Task Force documents as well. For example, the report states that no complete and consolidated financial data on the Everglades initiative are available. This is not true for appropriated funds. The Annual Cross-cut Budget, has been published by the Task Force since 1994, tracks all Federal funding since 1993 in a very detailed fashion. It also tracks Everglades funding by the State of Florida back to 1983, and includes descriptions of the

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Federal and State programs funded. It represents a compendium of budgeted projects that are linked to ecosystem restoration. The information reported reflects results of separate agency budget priorities, processes, protocols, and appropriations. Its purpose to date has been to present this information in one place as a resource for interagency planning and coordination. It is very useful; even GAO in its analysis used the cross-agency spending categories as presented in the Cross-Cut Budget.

Indeed, we are unaware of any other ecosystem restoration effort where a comparable type of cross-cut budget is prepared. This does not mean the document is perfect. We agree with GAO that linking the projects and their projected outcomes to the vision and goals of the Integrated Strategic Plan will enhance this report's usefulness in the future.

GAO is correct that currently the Annual Cross-Cut Budget does not include central tracking of obligations and expenditures for agency programs. Such tracking could be a useful tool for both appropriators and agencies, and could be done on an annual basis. However, it may be difficult and may not be a cost-beneficial use of resources for agencies with small amounts of funding to track obligations and expenditures at the level of detail currently in the cross-cut budget. Similarly, this level of detail may or may not be a useful tool for policy officials in Congress and the administrative agencies. Accordingly, the Administration is reviewing whether central tracking of additional detail on obligations and expenditures is feasible and reasonable and would produce results useful for decision making. We also agree with GAO that budgeted dollars and appropriations must be consistent with data provided by the individual agencies. Indeed, OMB and the Federal agencies have worked exhaustively this year in trying to meet this objective.

The Working Group of the Task Force also prepares annual reports, which document progress made and sets forth goals for the upcoming year.

The final Task Force document discussed by GAO is the Integrated Financial Plan. First published in 1996, this plan is an interim way to improve interagency coordination and enhance opportunities for cooperation. It has been organized by subregion to capitalize on the synergy among the local area managers and to help them integrate efforts. It serves much the same purpose as a long-term out year plan does for any agency. Linkages to the strategic plan will be inherent in the future development of this document. As with the Cross-Cut Budget, we agree that budgeted dollars and appropriations must be consistent with data provided by the individual agencies and among these reports.

B. NEED FOR A DISPUTE RESOLUTION PROCESS

We completely agree that this restoration initiative requires unprecedented cooperation and are pleased to see that GAO recognizes that the Task Force is the first of its kind to guide coordination on this scale. GAO is also correct that the Task Force is not a decision-making body. Congress created the Task Force not to dictate policy or to manage the entire effort, but to serve as

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a forum to which each member agency and government could bring its own mission and responsibilities in search of consensus answers to difficult questions. Another of its statutory duties is to “facilitate the resolution of interagency and intergovernmental conflicts associated with the restoration of the South Florida ecosystem among agencies and entities represented on the Task Force.” (Sec. 528(f)(2)(F), 110 Stat. 3772, Oct. 12, 1996). (See statutory provisions, attached).

We believe this is the correct model. As it could infringe upon the sovereign responsibilities of the governments and agencies involved, we question the legality of the creation of a body capable of resolving disputes among the four sovereigns involved in this effort, much less the various levels of Federal, State, tribal, regional, and local entities and agencies. We certainly question the practicality of asking them to submit their disparate missions and responsibilities to resolution by some entity created for that purpose.

It is also important to remember that the existence of disputes does not mean the process is not working. Indeed, the adaptive restoration process helps identify issues for resolution. Some are easy to resolve while others require more time and attention. Some are best resolved between two entities through normal processes of elevating disputes within the entities, others through memoranda of understanding or other agreements, such as project cooperation agreements. Still others are best handled through discussion before the Task Force or its Working Group.

The point is that in the past six years, many significant issues have been identified and resolved between two agencies or among many. The best example of this is the development of the Restudy and its implementation plan which have necessitated enormous cooperation to find consensus for often conflicting missions. Many other issues have been successfully resolved in various projects, including the complex acquisition and trade negotiations for the Talisman lands, agreement on the Lakebelt plan, including mitigation fees, and the Everglades Construction Project which is implementing the consent decree between the State of Florida and Federal Government.

With respect to the two projects mentioned by GAO, we recognize that both the Modified Water Deliveries and C-111 projects have experienced some delays. However, GAO has oversimplified the matter by suggesting that delay has been entirely caused by disagreements between DOI and COE. Many of these delays were the results of events beyond the control of the Federal agencies. Others were, however, the result of the multi-agency process to which we are committed. It is a slower process, but one which seeks consensus solutions. The completion of both of these projects by 2003 is a high priority for the Administration and we will work closely with Florida-based agency staff to develop a strategic roadmap for meeting the 2003 schedule.

The following provides additional information on these projects and the reasons for their delay:

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1. C-111 Project.

The C-111 project is designed to restore more natural quantity, quality, timing, and distribution of water deliveries to Taylor Slough and the panhandle of Everglades National Park at the south end of the system as well as South Dade County and the coastal areas. C-111 pre-construction, engineering and design was initiated in June 1994 with a forecast construction completion date of December 2001. The current forecasted construction completion date is May 2003. Extra time has been required for the following reasons:

- In WRDA 1996, Congress modified the scope of the C-111 project authorizing the COE to address water quality issues and changed the cost sharing associated with the project. In order to secure the necessary funding for the potential project changes as a result of WRDA 1996, the COE was required to supplement the General Reevaluation Report and Environmental Impact Statement. This supplement will identify additional studies needed to characterize the water quality within the project area and also propose potential treatment strategies, if needed, to implement the project consistent with the State's water quality standards. The supplement will also allow the SFWMD to be reimbursed for land acquisition that has already been completed for the project. The COE anticipates completing the supplemental and associated NEPA documentation in FY1999.
- The Southern Everglades Restoration Alliance (SERA) was established to help staff of the five responsible agencies (NPS, Fish and Wildlife Service, COE, SFWMD and State Department of Environmental Protection) to aid in the implementation of C-111 and Modified Water Deliveries projects through creation of interagency teams. A strong component of open consultation with the public and interested parties was added to the SERA Process. We are engaged in a review of that process in an effort to improve coordination and management of this project.
- There have been some interruptions of C-111 study efforts at the COE and partner agencies due to unforeseen high priority work to complete the Restudy report by the Congressionally-mandated deadline of July 1, 1999.

2. Modified Water Deliveries to Everglades National Park Project.

The Modified Water Delivery to Everglades National Park (MWD) project is designed to restore more natural hydropatterns in the Water Conservation Areas and Taylor Slough north of the C-111 project. The MWD General Design Memorandum (June 1992) estimated construction completion in June 1997, subject to the availability of unrestrained appropriations. The current schedule for construction completion is December 2003. The following are reasons for the delay:

- The 8.5 Square Mile Area (SMA) is a key area within the project that is currently subject to

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periodic flooding. This has been a long-standing problem because development occurred in the 8.5 SMA without adequate flood protection. The authorized project was designed to prevent increased flooding (i.e., flood mitigation), not to fix a pre-existing flooding problem. Based on concerns over the viability of the flood mitigation component to provide a sustainable solution for the 8.5 SMA and allow for the restoration of the Northeast Shark Slough, Governor Lawton Chiles formed the East Everglades 8.5 Square Mile Area Study Committee in July 1994. The Committee was formed to analyze the hydrology and ecology of the 8.5 SMA with attention to existing land use, current and projected development, environmental protection, acquisition costs, restoration and land management, and social impacts associated with acquisition and land use control. The Committee was further charged with the identification of alternatives to the flood mitigation plan developed by the COE. Recognizing that the solution to the flooding problems in the area must be a result of consensus of many interests, the Governor appointed representatives from all levels of government as well as representation from homeowners in the area.

The 8.5 Square Mile Area Study Committee recommended in its final report in April 1995 that the SFWMD, as local sponsor of the MWD project, request the COE to incorporate a flow-way buffer as an alternative to the flood mitigation plan. Subsequent to the Committee recommendation, the SFWMD entered into a contract with PEER Consultants, Inc. for the evaluation of flood protection alternatives for the 8.5 SMA, including the committee preference of a flow-way buffer alternative. The Governing Board of the SFWMD, selected the total buyout as the preferred alternative for implementation in preference to the mitigation plan in November 1998. This was based on the analysis completed by PEER and in conjunction with information provided by an interagency technical review committee composed of representatives from Federal, State, tribal, and local governments. A Post Authorization Change report and associated NEPA evaluation is currently underway.

With the selection of the locally preferred alternative transmitted to the COE, the NPS requested that the COE expeditiously undertake the necessary NEPA review to enable the alternative to be formally considered as part of the Modified Water Deliveries project. Further, the COE analysis has been expanded to meet DOI's NEPA requirements to reach a decision regarding land acquisition grants to the SFWMD to potentially support the locally preferred alternative.

- Issues associated with the SERA process discussed above have affected this project.
- There have been some interruptions of study efforts at the COE and partner agencies due to unforeseen high priority work to complete the Restudy report by the Congressionally-mandated deadline of July 1, 1999.
- Funding level shortfalls have affected the project.

See comment 4.

II. ADDITIONAL ISSUES IDENTIFIED IN DRAFT REPORT

The draft GAO report in general identifies several issues which it indicates may warrant further review. We appreciate the opportunity to address them.

A. LAND ACQUISITION

GAO raises three possible issues regarding land acquisition: whether a strategy is needed to coordinate Federal, State, and local land acquisition efforts; whether Federal appraisal standards are being met; and whether and how various cost-share agreements are being applied.

By way of brief response, we believe good coordination exists. Within days of the enactment of the 1996 Farm Bill appropriating \$200 million to the Secretary of the Interior, the Task Force's Working Group began developing a land acquisition plan which identified and prioritized projects eligible for the expenditure of those funds. By July 1996, the Working Group provided Secretary Babbitt with a list of 33 projects, in order of priority, to guide him in the expenditure of those funds. Virtually all of the highest priority projects were land acquisition. That list also incorporates input from the Governor's Commission for a Sustainable South Florida, an entity which represents a broad spectrum of interests, including government, business, agriculture, education and the environmental community.

Since that time, this list has continued to serve as the land acquisition plan for the expenditure of funds provided by Congress to the Secretary of the Interior as grants to the State and District. To date, all of our expenditures of Farm Bill funds have been grants for three of the top four priorities for land acquisition: East Coast Buffer/Water Preserve Areas; Everglades Agricultural Area; and Southern Golden Gate Estates.

In addition, in response to the request of the Subcommittee on Interior and Related Agencies of the House Appropriations Committee, DOI asked the Task Force's Working Group to develop a new land acquisition plan which takes into account the acquisitions we have made and any new priorities which may have arisen since 1996. We anticipate having that information available to the Subcommittee by June.

It is also important to note that State funds for land acquisition come from various sources which all have specific objectives and constraints. Putting together a common strategy for the use of these funds would present a number of challenges to mesh the State and SFWMD processes for distributing acquisition funds to potential projects. In the meantime it is important for Federal, State, and local agencies to forge ahead with their acquisition programs to take advantage of available purchase opportunities. This is especially true in Broward and Palm Beach Counties where development pressures are strongly competing for the key available parcels, causing values to increase.

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With respect to the issue of appraisals, the U.S. Fish and Wildlife Service (FWS) Region 4 office is responsible for administration of restoration-related land acquisition grants to the State and SFWMD. The FWS role as it applies to real estate appraisals is to ensure that appraisals are being conducted and that they meet the Federal standard. For example, the SFWMD sends all approved appraisals to the FWS for review. The review by the FWS Regional Review Appraiser ensures that appraisals are being conducted on each tract of land and that the appraisals conform with the Uniform Appraisal Standards for Federal Land Acquisitions, which is the Federal standard, and the requirements of the State of Florida for State Real Estate Appraisers. The SFWMD also submits a Real Estate Review Appraiser Memorandum for Federal review to ensure that an appraisal was properly prepared, and concurs with the conclusion of the report.

Finally, with respect to the implementation of various cost-share agreements applicable to land acquisition, the Farm Bill did not impose a matching requirement on the \$200 million made available to the Secretary of the Interior for land acquisition and other restoration activities. However, consistent with the Clinton/Gore Administration Plan, which called for a 50/50 Federal/state cost-share on the restoration initiative, Secretary Babbitt adopted a discretionary policy, contained in the Framework Agreement with the State of Florida, SFWMD, and COE that, unless waived, these funds would require a 50/50 match. The 1998 Land and Water Conservation Fund's (LWCF) Everglades grants from the Department of the Interior were directed exclusively to acquisitions solely the responsibility of the Federal Government, including the East Addition to Everglades National Park and Stormwater Treatment 1-East, and thus did not involve the issue of cost-share. The 1999 LWCF Everglades grants authorization mandates a 50/50 match. DOI will ensure that grants of these funds will adhere to this requirement.

B. WATER QUALITY

We agree with the GAO statement that "without clean water, ecosystems cannot be protected, reestablished, or sustained." We believe, however, that we are making substantial progress in addressing and integrating water quality concerns in south Florida.

The basic approach to water quality restoration and protection in the region is guided by national and state programs established under several sections of the Clean Water Act, as well as the Coastal Zone Act Reauthorization Amendments of 1990, the laws and programs of the State of Florida, and the rules of the Seminole Tribe of Florida and the Miccosukee Tribe of Indians of Florida. Under these programs, the State and tribes have primary responsibility to assess, report on, and to regulate water quality, to regulate and help fund wastewater treatment plants, and to control nonpoint sources through the implementation of specified management measures.

The Federal role is primarily to support State and tribal programs, but Federal regulatory requirements and land stewardship responsibilities define important roles, too. Federal agencies have assisted the State and the tribes by leading such efforts as the Restudy and the Florida Keys Water Quality Protection Program, and they have augmented State and tribal capacity in south Florida

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through a number of initiatives that help us better understand water quality problems, make regulations more reasonable, or which will shorten the time needed to implement controls.

As we stated earlier, one of our criticisms of the draft report is the omission of efforts by the State of Florida. This applies to water quality issues as well. For example, Florida's Everglades Forever Act and the Everglades Construction Program are substantial water quality efforts. Omitting them gives an incomplete analysis of the combined Federal/State/local government effort to address south Florida water quality problems.

Congress directs the Federal agencies to empower and assist State governments to solve water quality problems, yet, the GAO report is silent on the State of Florida's responsibilities and accomplishments. This is especially notable since State/local and tribal authorities, with Congressional authorization in the 1996 WRDA, are important members of the Task Force and the Working Group along with the Federal agencies GAO focused on.

There are many important water quality projects and studies underway in south Florida. The Restudy is the largest. It has grown to be a major component of water quality planning. It will store, treat, and divert water needed for a sustainable ecosystem. The Restudy proposes over 35,000 acres of Stormwater Treatment Areas and 181,000 acres of Water Storage Areas throughout south Florida. These two types of facilities will significantly contribute to improved water quality in the Lower Kissimmee River, Lake Okeechobee, Water Conservation Areas, St. Lucie Estuary and Indian River Lagoon, Caloosahatchee River and Estuary, the Lake Worth Estuary, and Biscayne Bay.

The list of water quality improvement actions proposed in the Restudy is substantial. While these projects will help reduce pollutant loads, the Restudy will not solve every water quality problem in Florida. However, every effort has been made to anticipate future water quality problems. Where elements of proposed Corps construction may not provide water of adequate quality for south Florida ecosystem needs, additional features for water quality improvement deemed necessary for Everglades restoration will be included in the Comprehensive Plan. It is widely recognized that there is a need to link water quality restoration programs with a system-wide comprehensive plan for ecosystem restoration. In an effort to address other system-wide water quality issues, the Restudy also recommends the development of a comprehensive integrated water quality plan. That integrated plan will lead to recommendations for water quality remediation programs and the integration of water quality restoration targets into future design, construction, and operation activities during project implementation. EPA and the State are leading other efforts to ensure that other concerns that arise will be dealt with.

The EPA and others have begun to address the Florida water quality concerns outside the Restudy using the model of the Florida Keys planning system which focused on consensus-building. The work needed to produce this coordination has been outlined and initially funded. Our goal is to overcome the problems of the past and to launch an active water quality planning program that will identify and overcome the problems of the future.

C. SCIENCE

The GAO report indicates that successful restoration decisions must be based on strong science, but that scientific understanding of how the ecosystem functions is not complete. We concur with this GAO assessment in the sense that this ecosystem is one of the most complex in the world, both in terms of its spatial distribution and the various hydrologic, ecological and biological features that characterize the region. However, we believe the Working Group and Science Coordination Team have developed protocols to integrate ongoing Federal or non-Federal science efforts in ways they have promoted a common understanding of those science issues.

Restoration of a natural system as complex and massive as south Florida's greater Everglades and coastal ecosystems requires a substantial amount of science-based information. As such, information generated from research and monitoring has increasingly become an important component of the design and operation of south Florida's ecosystem restoration projects since the mid-1990s. In the very early stages of restoration planning, it became clear that research and monitoring information must lead to an understanding of how the natural system originally functioned and in what ways the existing degraded system might be improved through restoration projects. In 1995, the Working Group published a detailed Science Needs Assessment that has served as the basis for science planning to support the restoration effort. The resulting research and monitoring projects are essential to our understanding of the ecosystem and provide the basis for the restoration planning, implementation, and evaluation process.

As a practical means of approaching such a complex problem, a conceptual model of the system was developed, resolved into fundamental relationships, and then, through research and monitoring, refined into predictive relationships, conceptual models, and performance measures. Ecosystem-level conceptual models, performance measures, and predictive hydrological and ecological models, such as the Across Trophic Level System Simulation (ATLSS) models, are examples of research and monitoring-based science information that were used in evaluating restoration alternatives during the Restudy process. These tools will continue to be used during the Restudy implementation and to support the numerous other restoration projects in the region. A panel of experts was assembled to review a particular issue and advise managers on science requirements; for example, reviews of the ecology of Florida Bay and efforts to restore it, ecotoxicology, and the ecology of the endangered Cape Sable Seaside Sparrow. These tools, their refined offspring and the use of independent expert panels will continue to contribute to decisions on adaptive management of the ecosystem and adaptive implementation of the restoration plan.

III. OTHER SUGGESTED CORRECTIONS OR ADDITIONS

Page 2

Fifth line - add "and a National Marine Sanctuary" after wildlife refuges.

See comment 5.

**Appendix VI
Comments From the Department of the
Interior on Behalf of Five Federal Agencies**

Now on pp. 2 and 10.

Pages 2 and 9 first paragraphs

The sentence beginning “The Restudy is designed...” should be deleted and replaced with :
“The Restudy is designed to substantially increase the amount of water that is delivered to natural areas while enhancing agriculture and urban water supplies”.

Page 3

Eighth line - add “and coastal bays and estuaries” after wetlands.

Page 4

Eleventh line - add “the timing, quantity and quality of water delivered to coastal estuaries has been altered dramatically,” after significantly.

Now on p. 6.

Page 5

First bullet, last line - add “and restore more natural water flow to South Florida’s coastal bays and estuaries.” after Everglades.

Now on p. 8.

Page 7

First complete paragraph - fourth line - add “and a National Marine Sanctuary” after wildlife refuges.

Now on p. 8.

Page 7

There is general agreement that agriculture is the best neighbor for the Everglades National Park (ENP) and should be maintained as a buffer between the expanding rural area and the ENP. This should be mentioned in the discussion of the South Florida Ecosystem Restoration Initiative as a need for funding on page 7 of the report.

Now on p. 12.

Page 10

Last paragraph - first line - Recommend that the following science documents be added to the list of documents: Science Working Group Report; Science Needs Document; and, Ecological Success Criteria.

**Appendix VI
Comments From the Department of the
Interior on Behalf of Five Federal Agencies**

Now on p. 12.

Page 10, last paragraph

While it is true that the Task Force publishes the Annual Interagency Cross-cut budget, its role is more of editor. The budget decisions described in that document are made by Federal agencies, the Governor's office, and the Governing Board of the SFWMD.

Now on p. 16.

Page 15, first paragraph

Here and in other places, the GAO document refers to an "environmental assessment" to be completed by the Corps. The correct document is a supplemental environmental impact statement (SEIS).

Now on p. 16.

Page 15, second paragraph

The first sentence is incomplete. The C-111 project is intended to benefit Everglades National Park, but also provides flood protection and other benefits to South Dade County.

Page 15, second paragraph

The focus on the disputes in beginning interim operation of one component feature of the C-111 project as cause for delays in the C-111 project is misplaced. Interim operation of the S-332D pump as part of the experimental program or to respond to a sparrow emergency has nothing to do with completing the C-111 project. As discussed earlier, delays in the project schedule are due to a variety of factors, but not the interim operation of S-332D.

Now on p. 31.

Page 27, Appendix III, Figure 1

This figure is not accurate. It does not illustrate "the South Florida ecosystem and its Components" as its title suggests because the dark line on the figure follows the land/ocean edge. This erroneously suggests that the ecosystem or the watershed stops at the land/ocean boundary. The ecosystem and the South Florida watershed include the nearshore coastal waters. The figure must be redrawn to include the coastal waters to approximately 3 miles from shore to in any way approximate boundaries of the South Florida.

Now on p. 32.

Page 28, Appendix III

The report should indicate that both urban and agricultural runoff have altered the quality of the water. This could be included on page 28 in Appendix III.

**Appendix VI
Comments From the Department of the
Interior on Behalf of Five Federal Agencies**

Now on p. 42.

Page 36, Appendix V

The report needs to stress that scientists and technology specialists within research and action agencies must assist farmers and rural communities to sustain agricultural production while maintaining water quality if the proposed changes in the South Dade Conveyance Canals (C-111) Project are to be successful.

The following are GAO's comments on the Department of the Interior's letter, dated April 7, 1999.

GAO's Comments

1. Our report recognizes that the Task Force has engaged in the development of the Integrated Strategic Plan, which will include a common vision for all of the participants and strategies for measuring success. However, as we point out in the report, this plan is in the early stages of development and is not expected to be complete until 2001. In addition, after talking with the project leader responsible for developing this plan, we do not believe that it will contain all the components of the overall strategic plan recommended in our report. For example, one of the elements that we believe should be included in the overall strategic plan is a link between the strategic goals of the restoration effort and outcome-oriented annual goals. However, the project manager told us that the plan will be a conceptual one and will not identify what each agency will do each year.

Furthermore, our report discusses and describes in some detail the documents published by the Task Force that provide information on the restoration effort, including the goals, activities, and accomplishments of the agencies. Although we do not list—nor was it our intent to list—all of the various plans and strategies developed by the agencies involved in the restoration effort, we do specifically mention the Restudy and the multispecies recovery plan as examples of the planning efforts undertaken. However, as we point out in our report, an overall strategic plan that integrates all of the Task Force's documents and planning efforts has not yet been developed. In addition, throughout the report, we refer to the Restudy and describe it as a major component of the restoration effort. However, the Restudy is not final and is currently being revised to reflect comments from all interested parties. Hence, the Restudy is subject to change.

2. Because we recognized that the restoration effort involves federal, state, tribal, and local governments and entities that have various missions and authorities, the report recommends that the members of the Task Force work with the organizations and entities participating in the restoration effort to develop and agree upon a decision-making process to resolve conflicts. Our recommendation does not envision the creation of some overall jurisdictional body to decide conflicts or issues among the participants in the restoration of the South Florida ecosystem. We understand that such a body could not currently be created because of the

issues mentioned in the comments. Rather, what we have in mind is the establishment of a process, such as is employed in negotiated rulemaking, mediation, and conciliation, for discussing, negotiating, and resolving conflicts and problems within the existing legal authorities and structure. We recognize that the Task Force is charged under present legislation to facilitate the resolution of interagency and intergovernmental conflicts among agencies represented on the Task Force. However, other public and private organizations, which are participants in restoration efforts, are not represented on the Task Force. Our objective is to engage all the participants in the restoration efforts in such a process. In addition, in its written comments, the South Florida Water Management District, a key player and member of the Task Force, stated that the development and implementation of a conflict resolution process is very workable and would benefit the restoration effort.

Furthermore, because the two projects we reviewed are similar to those that will be conducted in the future, we believe that similar disagreements may occur. As stated in the report, without some means to resolve these disagreements in a timely manner, problems such as those encountered in implementing the two projects discussed in the report could continue to hinder the initiative. However, because we believe that the report accurately presents areas of disagreement or conflicts affecting these two projects and points out that these disagreements contributed to schedule delays and cost overruns, we did not include the additional background material provided by the agencies. Furthermore, the South Florida Water Management District, the local sponsor for both of these projects, described our characterization of the issues relating to these projects as accurate. The District agreed with the report that these two projects are at critical junctures requiring the expeditious resolution of outstanding issues.

While the agencies' response states that they are doing very well in achieving two of the three goals and that the state of Florida is starting to see progress on the third, we are not certain of the basis for this statement. As we point out in the report, the three goals established by the Task Force for the restoration effort have not been expressed in quantifiable or measurable terms that would allow the Task Force to assess the progress being made.

3. Appendix III of the report includes information on key legislative and administrative actions taken by both the federal government and the state of Florida to restore the South Florida ecosystem. For example, the report

notes the state's establishment of the "Save Our Everglades" program in 1983, passage of the Everglades Forever Act in 1994, and establishment of the Governor's Commission for a Sustainable South Florida in 1994. Furthermore, while the projects we discuss in our report are being implemented to benefit the Everglades, our report also recognizes and discusses the three goals established by the Task Force to accomplish the overall restoration. The report describes the goal of "Get the water right," which involves delivering the right amount of water, of the right quality, to the right places, at the right times. The report already notes that the cost of the Restudy, which is a major component of the restoration effort, will be shared equally by the federal and state governments. However, we have added a statement to the report that cites the development of the Restudy as an example of improved coordination among the agencies.

Although the agencies question the \$1.2 billion estimate of the funding provided for the restoration effort from fiscal year 1993 through fiscal year 1999 and the inclusion of "routine expenditures," this estimate and the categories of activities presented in the report are based on financial data provided by the agencies. We recognized and pointed out in the report that several categories of activities—particularly area management, natural resource management, and science—include activities that may be considered normal agency operations and would take place with or without the South Florida Ecosystem Restoration Initiative.

Because no official cost estimate for the overall restoration effort has been developed, we used available cost data to develop the \$11 billion estimate. These include the federal funds provided for the effort to date; the cost of the Restudy; and an estimate, provided by the executive director of the Task Force, of the costs of other activities that will be needed to complete the restoration effort.

4. We did not include the information provided by the agencies on the "other issues" identified in our report. As we point out in the report, these are issues identified through our discussions with agency officials and others involved in the restoration effort. While we have not conducted additional work in these areas, they may be the subjects of future GAO reviews.

5. The agencies provided editorial changes, technical corrections, and clarifying information, which we incorporated in the final report, where appropriate.

Comments From the South Florida Water Management District

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



South Florida Water Management District

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FIN B-282237

April 4, 1999

Mr. Victor S. Rezendes
Director, Energy, Resources and Science Issues
United States General Accounting Office
Resources, Community, and Economic Dev. Division
Washington, D.C. 20548

Dear Mr. Rezendes:

Thank you for the opportunity to review the General Accounting Office (GAO) Draft report titled "*South Florida Ecosystem Restoration – An Overall Strategic Plan and Decision-Making Process Needed to Keep Effort on Track*".

The following summarizes review comments provided by District staff involved in the planning and implementation of restoration projects, as well as those involved in the coordination and collaboration activities with the Task Force, Working Group, and other interagency coordination bodies. While it is noted that this project is large, and some say complex, this does not relieve us of the obligation and our resolve to conduct all phases of the restoration in an accountable manner.

Thank you for the opportunity to comment on this draft.

Sincerely,


James Harvey
Interim Executive Director

Attachment

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**ATTACHMENT 1
SOUTH FLORIDA WATER MANAGEMENT DISTRICT
STAFF COMMENTS**

Now on pp. 3-7.
See comment 1.

1. Background (Pages 3-5)

This background section focuses on the timeframe starting with the Task Force (1993) and deals primarily with federal efforts. This is understandable considering the charge given the General Accounting Office, however, Congress and other readers would get a better understanding of the history of the restoration effort if this section recognized some of the key restoration accomplishments of the state agencies and Florida Legislature in protecting the natural system. These accomplishments date back to the early 1970's.

Now on pp. 7-11.
See comment 2.

2. Funding (Pages 6-9)

Congress and other readers would benefit from knowing that the State of Florida has contributed over \$2 billion to the ecosystem restoration effort since 1983. The FY99 Cross-Cut Budget Document provides a summary of annual expenditures since FY94. These figures do not include costs for operations and maintenance of the C&SF Project, which now costs approximately \$55 million per year and will increase as new features are constructed in ongoing restoration projects.

Now on pp. 11-14
See comment 3.

3. Need for a Strategic Plan (Pages 10-13)

The Restudy Comprehensive Plan is a very important and integral part of the strategic planning process – it is arguably the most important component of the overall strategic plan for South Florida ecosystem restoration. The Restudy Comprehensive Plan lays out the plan for getting the water right (Goal #1) which is fundamental to the restoration effort. The GAO report focuses on the high cost of implementing the Comprehensive Plan, but does not recognize the outstanding accomplishment of developing the Plan, or the unprecedented level of interagency coordination, stakeholder input, and public involvement that went into the planning process.

Now on p. 12.

On page 10, the report states that all of the existing Task Force documents contain some components of a strategic plan but that none contains all the components needed. It would be helpful for the Task Force and Working Group if the final GAO report identified the missing components and provided some specific recommendations on how to improve each of these documents. Further, it would be helpful if the final GAO report provided specific recommendations on how to improve the Task Force's ongoing strategic planning process.

Now on pp. 14-17.
See comment 3.

4. Coordination (Pages 13-16)

It would be helpful for the readers to get some balance in this section to highlight the many areas where coordination and collaboration among the Task Force, Working Group, and Governor's Commission member organizations has resulted in positive outcomes. The Restudy planning process is an excellent example. There are numerous collaborative programs and projects with cost-sharing between federal, state, and local governments that have resulted primarily because of the increased coordination among the agency staff in Florida.

**Appendix VII
Comments From the South Florida Water
Management District**

SFWMD COMMENTS

Page 2

Examples include federal-state-local cost-sharing on land acquisition projects, the formation of multi-agency partnerships for grant programs such as the U.S. Environmental Protection Agency's Section 319 Nonpoint Source Pollution Reduction Grant Program, and the U.S. Fish and Wildlife Service's North American Wetlands Conservation Act Program, as well as other state and federally sponsored grant programs.

Characterization of the issues regarding the C-111 Project and the Modified Water Deliveries Project on pages 15-16 is accurate. It is true that these projects are at a "critical juncture" where resolution of issues must happen expeditiously. The District is committed to working with our federal and state partners to resolve these issues as quickly as possible so that we can move forward with hydrologic restoration of Shark River Slough and Taylor Slough, and re-establishment of freshwater flows to Florida Bay.

5. Conclusions and Recommendations (Page 16-17)

The text in the *Conclusions* section and at the top of Page 16 suggest the need for an authoritative governing group for the South Florida ecosystem restoration effort – "a group that has overall management responsibility and authority to resolve differences" among agencies.

However efficient a governing body may sound, it does not appear to be realistic given the fact that the restoration effort involves 13 federal agencies, 13 state and regional agencies, 16 county governments, 2 tribal governments, and over 100 cities and municipalities, each with their own governing bodies, authorities and missions. The Task Force itself consists of 7 federal representatives, 5 state and local representatives, and 2 two sovereign American Indian Tribes. The sovereignty of the federal government, state government, and 2 American Indian Tribes makes the formation of a single authoritative group to manage the restoration effort politically unrealistic. Furthermore, this is contrary to the Task Force's authority provided by the Water Resources Development Act (WRDA)-96.

The second recommendation on page 17 suggests that the Secretary of the Interior work with the Task Force membership to develop a process to resolve conflicts to accomplish the restoration initiative in a timely and efficient manner. Development and implementation of a conflict resolution process is very workable and would benefit the restoration effort, so long as the final process does not conflict with the sovereign rights of the entities involved, and does not relinquish the decision-making authority of the entity that is responsible for making the final decision. For example, the conflict resolution process cannot legally result in the Secretary of the Interior (as Task Force Chair) making a decision that only the Secretary of the Army is legally authorized to make. Development of an improved conflict resolution process within these constraints is consistent with the Task Force's authority provided by the WRDA-96. As a member of the Task Force and the Working Group, the District will support the Secretary in developing and implementing such a process.

Now on pp. 15-17.

Now on pp. 17-18.
See comment 4.
Now on p. 17.

**Appendix VII
Comments From the South Florida Water
Management District**

SFWMD COMMENTS
Page 3

6. Water Quality (Page 22)

This section makes a statement that “water quality issues have not been sufficiently addressed or integrated into the [ecosystem restoration] initiative. While this is certainly an area where improvement is needed, the report provides little or no recognition that the Task Force and its member agencies have recognized this, and are working diligently toward improving water quality through ongoing projects and planning efforts.

It would be beneficial to point out some of the significant accomplishments that the state and federal governments have made in planning and implementation of water quality improvement projects. For example, state and federal agencies are cost-sharing on extensive research and development efforts to: 1) develop improved water quality standards for protecting the native Everglades flora and fauna; 2) develop and optimize improved water quality treatment technologies such as submerged aquatic vegetation/limestone rocks systems and periphyton stormwater treatment systems; 3) develop and implement on-farm best management practices to reduced phosphorus loading to the natural system; etc. The implementation of best management practices in the Everglades Agricultural Area has reduced phosphorus loading by over 55% during the past three years. The state’s Everglades Construction Project is a massive project dedicated to improving water quality of discharges to the Everglades – the ENR Project and STA-6 have already removed approximately 140,000 pounds of phosphorus that would have otherwise been discharged into the Everglades Protection Area. The Corps is currently designing a 6,500-acre stormwater treatment area (STA-1E). Several of the Critical Restoration Projects authorized under WRDA-96 focus on improving water quality of discharges to Lake Okeechobee, St. Lucie Estuary, the Everglades, and the Estero Bay estuary.

The Restudy includes major features for improving water quality, including 35,000 acres of stormwater treatment areas. In recognition of the need for further water quality improvements, the Restudy Comprehensive Plan recommends a feasibility study focused on identifying strategies and features for improving water quality throughout the ecosystem. Further, based on a recommendation by the Task Force, a multi-agency team is working toward development of a comprehensive water quality improvement strategy for the South Florida ecosystem.

Now on p. 26.
See comment 5.

The following are GAO's comments on the South Florida Water Management District's letter dated April 4, 1999.

GAO's Comments

1. Because appendix III of the report contains information on the key legislative and administrative actions taken by both the federal government and the state of Florida to restore the ecosystem, we did not revise our report.
2. We agree that it is important to recognize the financial contributions that the state of Florida has made to the restoration effort and have added this information to our final report. The report also notes that the federal and state governments have entered into several agreements to share the cost of land acquisition. In addition, the report points out that the costs of one of the major components of the effort—the \$7.8 billion Restudy—will be equally shared by the federal and state governments.
3. We have added a statement to the report to recognize that the Restudy and its proposed implementation plan represents the results of coordination among 160 specialists from 30 state, federal, local, and tribal agencies.
4. Because we recognized that the restoration effort involves federal, state, tribal, and local governments and entities that have various missions and authorities, rather than recommend a governing body, we recommended that the Task Force's members work with the organizations and entities participating in the restoration effort to develop and agree upon a decision-making process to resolve conflicts in order to accomplish the initiative in a timely and efficient manner.
5. We did not include the information provided by the South Florida Water Management District on water quality—one of the "other issues" identified in our report. As we point out in the report, these are issues identified through our discussions with agency officials and others involved in the restoration effort. While we have not conducted additional work in these areas, they may be the subjects of future GAO reviews.

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