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**Executive Committee Call Agenda**  
**April 9, 4:00 p.m. Eastern Daylight Time**  
**Dial-in Number: 1-669-224-3217**  
**Participant Passcode: 865-760-109 #**

1. Call to Order; Roll Call
2. Public Comment
3. Approval of Minutes from January 30, 2018 Executive Committee Meeting  
Craig Diamond  
Manager
4. Consortium Audit, Findings and Recommendations  
Jeff Wolf  
Moore, Stephens Lovelace
5. Manager's Report
  - a. Financials, 2<sup>nd</sup> Quarter
  - b. Organizational Self-Assessment  
Craig Diamond  
Manager
6. General Counsel's Report
  - a. Consideration of Extension to Contract with ESA  
Lynn Hoshihara  
General Counsel
7. Planning Grant Update  
Craig Diamond  
Manager
8. SEP Project Management Report
  - a. Status Report of Work Order #10 (Tasks 12 & 13: Draft SEP Review and Revisions; Stakeholder Outreach and Public Involvement)
  - b. Status Report of Work Order #11 (Task 14: Prepare Final State Expenditure Plan)  
Doug Robison  
Environmental Science Associates



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9. Stand-Up SEP Management Report
  - a. Status of the SSEP
  - b. Request to Recommend Approval to Submit a Planning Assistance Grant Application to Council for Implementing the SSEP  
Craig Diamond  
Manager
10. New Business
11. Public Comment
12. Upcoming Board Meeting  
  
Thursday, April 26, 2018  
1:00pm, CDT  
Edgewater Beach Resort Conference Center  
520 Richard Jackson Blvd.  
Panama City Beach, FL
13. Adjourn

## Notice of Meeting/Workshop Hearing

### OTHER AGENCIES AND ORGANIZATIONS

#### Gulf Consortium

The Gulf Consortium Executive Committee announces a telephone conference call to which all persons are invited.

DATE AND TIME: April 9, 2018 at 4:00 pm (EDT)

PLACE: United States: +1 1 (669) 224-3217

Access Code: 865-760-109#

GENERAL SUBJECT MATTER TO BE CONSIDERED: The Executive Committee of the Gulf Consortium will conduct a Board of Directors preview meeting, consisting of a planning grant update; status of work orders under the State Expenditure Plan; and other business at the discretion of the Executive Committee. The location of the conference call is The Balmoral Group, 165 Lincoln Avenue, Winter Park, FL 32789.

A copy of the agenda may be obtained by contacting: Craig Diamond at 407-629-2185 or [Gulf.Consortium@balmoralgroup.us](mailto:Gulf.Consortium@balmoralgroup.us).

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 3 days before the workshop/meeting by contacting: Craig Diamond at 407-629-2185 or [Gulf.Consortium@balmoralgroup.us](mailto:Gulf.Consortium@balmoralgroup.us). If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1-800-955-8771 (TDD) or 1-800-955-8770 (Voice). If any person decides to appeal any decision made by the Board with respect to any matter considered at this meeting or hearing, he/she will need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence from which the appeal is to be issued.

For more information, you may contact Craig Diamond at 407-629-2185 or [Gulf.Consortium@balmoralgroup.us](mailto:Gulf.Consortium@balmoralgroup.us).

**Gulf Consortium Executive Committee Meeting**  
**April 9, 2018, 4:00 p.m., Eastern**  
**The Balmoral Group Office - Conference Call**



| <u>County</u> | <u>Executive Committee Member</u> | <u>Present</u> |
|---------------|-----------------------------------|----------------|
| Escambia      | Commissioner Grover Robinson      |                |
| Gulf          | Warren Yeager                     |                |
| Levy          | Commissioner John Meeks           |                |
| Charlotte     | Commissioner Chris Constance      |                |
| Pasco         | Commissioner Jack Mariano         |                |

## **AGENDA ITEM 3**

**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 3**  
**Approval of January 30, 2018 Executive Committee Minutes**

**Statement of Issue:**

This agenda item proposes approval of the minutes of the January 30, 2018 meeting of the Executive Committee of the Gulf Consortium.

**Options:**

- (1) Approve the January 30, 2018 minutes as presented; or
- (2) Amend and then approve the minutes.

**Recommendation:**

Motion to approve Option 1.

**Prepared by:**

Craig Diamond  
Manager  
On: March 31, 2018

**Attachment:**

Draft 01/30/18 Minutes

**Action Taken:**

Motion to: \_\_\_\_\_, Made by: \_\_\_\_\_;

Seconded by: \_\_\_\_\_.

Approved\_\_\_\_; Approved as amended\_\_\_\_; Defeated\_\_\_\_\_.

**Gulf Consortium Executive Committee Meeting  
January 30, 2018, 4:30 p.m. (Eastern)  
Teleconference**

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**Members in Attendance:** Chairman Grover Robinson (Escambia), Commissioner Chris Constance (Charlotte); Commissioner Jack Mariano (Pasco), and Warren Yeager (Gulf).

**Also In Attendance:** Craig Diamond (The Balmoral Group), Daniel Dourte (The Balmoral Group), Amanda Jorjorian (The Balmoral Group), Lynn Hoshihara (Nabors, Giblin & Nickerson), Doug Robison (ESA), Lisa King (Langton Consulting)

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**Agenda Item 1 – Call to Order and Roll Call**

Vice Chair Warren Yeager called the meeting to order at 4:32pm (ET). Attendees as above. Comm. Robinson joined the meeting after the approval of minutes.

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**Agenda Item #2 – Public Comment**

None provided.

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**Agenda Item #3 – Approval of Minutes**

Comm. Constance moved the minutes of the October 31, 2017 meeting of the Executive Committee; second by Comm. Mariano; approved.

**ACTION: EXECUTIVE COMMITTEE APPROVED**

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**Agenda Item #4 – Discussion of Officer Elections for 2018**

Lynn Hoshihara reminded the Committee of the officer elections, which would be held at the next Board meeting on February 8<sup>th</sup>. The deadline for the nominations was January 12<sup>th</sup> and there were as many self-nominations as Executive Committee seats. Comm. Robinson was seeking Chair; Comm. Constance was seeking Vice-Chair or Secretary-Treasurer, Mr. Yeager was seeking Vice Chair or Secretary-Treasurer; and Comm. John Meeks (Levy County) was seeking Secretary-Treasurer. Comms. Meeks and Mariano were also willing to serve as At-Large. Chairman Robinson thanked Comm. George Neugent for his service to the Executive Committee. There was no discussion on this item and no action was required.

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**Agenda Item #5 – Amendment of the Consortium 2018 Meeting Calendar**

Craig Diamond proposed an amendment to the Consortium 2018 Meeting calendar. He noted that several board members were planning to attend the April 18<sup>th</sup> FAC “fly-in” meeting in Washington DC and therefore an alternative date was desired. The board had been polled, and with about 8 responses to date, April 26<sup>th</sup> was preferable to most. Chairman Robinson and Comms. Mariano and Constance and Mr. Yeager confirmed that the 26<sup>th</sup> would work for them after receiving clarification that the meeting was to be held in Bay County. Mr. Diamond noted that he should have a stronger recommendation for the Board meeting on February 8<sup>th</sup>. No action was required on this item.

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**Agenda Item #6– Managers Report**

Craig Diamond provided an overview of the financial statements. All member dues from the counties have been received. Mr. Diamond gave an update on the current audit. A deliverable is expected by the end of February and a final report will be available for the April Board Meeting. There were no questions and no action was required on this item.

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**Agenda Item #7a – Update on Planning Grant**

Lisa King gave an update on the Planning Grant. There have been 11 payment requests approved, totaling \$1,934,075.32. The last Financial Progress report was submitted on October 30<sup>th</sup> 2017 and the next Financial Progress report is due on April 30, 2018. There were no questions on this item and no action was required.

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**Agenda Item #7b –Amended FY 18 Budget**

Craig Diamond gave an update on ESA Work Orders approved to date. There were additional AV and IT disbursements approved since the last Board meeting. There were no questions or comments on this item and no action was required.

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**Agenda Item #8a – Status Report of Work Order #9 (Task 11: Prepare Draft FSEP)**

Doug Robison provided an update of Work Order #9. The Consortium had approved the release of the Draft SEP for public review and comment at its January 11, 2018 teleconference meeting. Task Work Order #9 was now complete. There were no comments. No action was required on this item.

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**Agenda Item #8b – Status Report of Work Order #10 (Tasks 12 and 13: Draft FSEP Review and Revisions; Stakeholder Outreach and Public Involvement)**

Doug Robison provided an update on Work Order #10. ESA met with DEP and FWC staff to review the Draft State Expenditure Plan and begin the agency review process. DEP's main concerns related to projects that required environmental permitting. The Draft SEP document is out for public review. A public meeting was held in Bay County on January 21<sup>st</sup> and in Hillsborough County on January 22<sup>nd</sup>. The meetings were sparsely attended with none of the general public attending the meeting in Hillsborough County. To date, two comments had been received and FDOT raised concern about the impacts of an oyster project on a bridge replacement in Manatee County. Mr. Robison suggested that comments generally come in late and they are expecting further written comments. Chairman Robinson commented that he added the SEP public review as an agenda item for his February 15<sup>th</sup> board meeting and he appealed to the other counties to do the same to assist getting the word out about the public review period. Comm. Mariano remarked that the Consortium made a good choice to go with two public meetings and two webinars as this saved money. There were no further comments on this item and no action was required.

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**Agenda Item #8c – Approval of Work Order #11 (Task 14)**

Mr. Robison presented an item for the approval of the final task work order for the State Expenditure Plan development process, which is to prepare the Final SEP and coordinate with Council, Mr. Vineyard and the Governor's office. Work Order #11 anticipates a March 27<sup>th</sup> meeting with Council and will incorporate all revisions and comments from the public review process. Mr. Yeager moved to approve Task Work Order #11, second by Comm. Constance; approved.

**ACTION: EXECUTIVE COMMITTEE APPROVED**

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**Agenda Item #9- Request to Approve the Final Stand Up SEP and Transmit to Governor's Office and SEP Implantation Strategy**

Craig Diamond presented an item to approve the Final Stand-Up SEP. The Draft Stand-Up SEP document had been approved for public comment and agency review at the November Board Meeting. Extensive comments had been received from RESTORE Council, DEP, FWC, the counties and NGOs and the draft document had been updated to reflect these comments. Mr. Diamond indicated an objective of transmitting the SSEP to the Governor's office after approval at the February Board meeting. Mr. Yeager moved to approve, 2<sup>nd</sup> by Comm. Constance; approved.

**ACTION: EXECUTIVE COMMITTEE APPROVED**

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**Agenda Item #10 – Third Amendment to ESA's Agreement for Consultant Services**

Lynn Hoshihara presented to the Executive Committee an amendment to ESA's agreement that currently prohibits ESA from participating in implementation of any project, programs or activities included in the SEP. After discussion with ESA's lawyer, an agreement had been made to modify the contract to include a recusal of four years which would only apply to Pot 3 monies. Ms. Hoshihara had a call into Council to review the draft language agreement. Comm. Constance raised the issue of the changed scope of ESA's contract, and Comm. Mariano thought the amendment was justifiable. The item was for informational purposes only and no action was required.

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**Agenda Item #11 – New Business**

None.

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**Agenda Item #12 – Public Comment**

None provided.

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**Agenda Item #13 – Upcoming Board Meeting**

The next board meeting was scheduled for February 8, 2018 at 1:00pm EST in Tallahassee, FL.

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**Agenda Item #14 - Adjournment**

There being no further business, the Committee adjourned at 5:15 pm.

Respectfully submitted,

Grover Robinson  
Chairman

## **AGENDA ITEM 4**

**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 4**  
**Auditor's Report**

**Statement of Issue:**

Presentation by the Consortium's Auditors. For information only; no action is required.

**Background:**

Jeff Wolf, CPA with Moore Stephens Lovelace, PA, will discuss preliminary findings of the Gulf Consortium's Fiscal Year 2017 financial audit. The Consortium's financial statement audit is expected to be published on or before April 11, 2018. The Auditor's report will be given verbally at the Executive Committee meeting on April 9, 2018. Topics to be discussed include the following:

1. Auditors required communications to the Board;
2. Preliminary results of the financial statement audit; and
3. Preliminary results and significant findings of the internal controls audit.

**Attachments:**

None

**Prepared by:**

Craig Diamond  
The Balmoral Group, Manager  
On: March 31, 2018

## **AGENDA ITEM 5a**

**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 5a**  
**Manager's Report**

**Statement of Issue:**

Presentation of the Manager's report. For information only; no action is required.

**Background:**

The Manager's report regarding the 2<sup>nd</sup> Quarter Financials (January through March 2018) will be given verbally at the Executive Committee meeting on April 9, 2018.

**Attachments:**

Financial Statements through March 31, 2018

**Prepared by:**

Craig Diamond  
The Balmoral Group, Manager  
On: April 2, 2018

**Gulf Consortium**  
**Profit & Loss**  
**October 2017 through March 2018**

|                                 | General Fund     | Grants Fund         | TOTAL               |
|---------------------------------|------------------|---------------------|---------------------|
| <b>Income</b>                   |                  |                     |                     |
| County Dues Funding             | 70,025.00        | 0.00                | 70,025.00           |
| Planning Grant                  |                  |                     |                     |
| SEP - Work Order 7              | 0.00             | 518,239.58          | 518,239.58          |
| SEP - Work Order 8              | 0.00             | 398,110.00          | 398,110.00          |
| SEP - Work Order 9              | 0.00             | 275,990.82          | 275,990.82          |
| SEP - Management Fees           | 0.00             | 30,186.25           | 30,186.25           |
| SEP - Grant Management          | 0.00             | 25,000.00           | 25,000.00           |
| SEP - Legal Fees                | 0.00             | 73,010.00           | 73,010.00           |
| SEP - AV/Meeting Fees           | 0.00             | 2,824.37            | 2,824.37            |
| <b>Total Planning Grant</b>     | <b>0.00</b>      | <b>1,323,361.02</b> | <b>1,323,361.02</b> |
| <b>Total Income</b>             | <b>70,025.00</b> | <b>1,323,361.02</b> | <b>1,393,386.02</b> |
| <b>Expense</b>                  |                  |                     |                     |
| Development of SEP              |                  |                     |                     |
| Grant Management                | 0.00             | 25,000.00           | 25,000.00           |
| Work Order 7                    | 0.00             | 518,239.58          | 518,239.58          |
| Work Order 8                    | 0.00             | 398,110.00          | 398,110.00          |
| Work Order 9                    | 0.00             | 275,990.82          | 275,990.82          |
| <b>Total Development of SEP</b> | <b>0.00</b>      | <b>1,217,340.40</b> | <b>1,217,340.40</b> |
| Legal                           | 16,645.42        | 73,010.00           | 89,655.42           |
| Management Fees                 | 12,753.75        | 30,186.25           | 42,940.00           |
| Accounting                      | 3,000.00         | 0.00                | 3,000.00            |
| Meeting Expense                 | 3,341.14         | 2,824.37            | 6,165.51            |
| Bank Service Charges            | 1,324.09         | 0.00                | 1,324.09            |
| Special District Fees           | 175.00           | 0.00                | 175.00              |
| <b>Total Expense</b>            | <b>37,239.40</b> | <b>1,323,361.02</b> | <b>1,360,600.42</b> |
| <b>Net Income</b>               | <b>32,785.60</b> | <b>0.00</b>         | <b>32,785.60</b>    |

**Gulf Consortium**  
**Balance Sheet**  
As of March 31, 2018

|                                       | Mar 31, 18        |
|---------------------------------------|-------------------|
| <b>ASSETS</b>                         |                   |
| Current Assets                        |                   |
| Checking/Savings                      |                   |
| Seaside Bank (Operating)              | 141,004.56        |
| Wells Fargo Account (Grant)           | 277,228.93        |
| Total Checking/Savings                | 418,233.49        |
| Accounts Receivable                   |                   |
| Planning Grant Receivable             | 41,943.29         |
| Total Accounts Receivable             | 41,943.29         |
| Total Current Assets                  | 460,176.78        |
| <b>TOTAL ASSETS</b>                   | <b>460,176.78</b> |
| <b>LIABILITIES &amp; EQUITY</b>       |                   |
| Liabilities                           |                   |
| Current Liabilities                   |                   |
| Accounts Payable                      |                   |
| Accounts Payable - Grant              | 317,934.11        |
| Accounts Payable                      | 17,464.19         |
| Total Accounts Payable                | 335,398.30        |
| Total Current Liabilities             | 335,398.30        |
| Total Liabilities                     | 335,398.30        |
| Equity                                |                   |
| Unrestricted Net Assets               | 92,058.54         |
| Net Income                            | 32,719.94         |
| Total Equity                          | 124,778.48        |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b>460,176.78</b> |

## **AGENDA ITEM 5b**



**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 5b**  
**Manager's Report, OSA**

**Statement of Issue:**

Presentation of the status of the Organizational Self-Assessment and request a recommendation to authorize the Chair to transmit an updated OSA to Council.

**Background:**

Prior to the February 8, 2018 Board meeting the Consortium received a "Risk Assessment Update" from Council noting the Consortium's risk level was "High." Council requested the Consortium to provide corrections and changes to its Organizational Self-Assessment (OSA). Recognizing that the Consortium had not made any structural changes to itself (e.g., hired staff or entered into a new management contract) and had only in November 2017 made the decision to be the implementing entity for the SEP, Council staff requested that the Consortium prepare a new OSA that would reflect the controls, procedures, and protocols that the Consortium would represent to Council if the framework contemplated by the Stand-Up SEP were to be implemented. Council provided the Consortium 90 days to respond the finding. Further, Council recommended that the OSA serve as a reference for Stand-up SEP implementation, once initiated.

**Options:**

1. Recommend that the Board authorize the Chair to transmit the updated OSA.
2. Executive Committee direction.

**Attachments:**

Risk Assessment Update (January 31, 2018)

**Prepared by:**

Craig Diamond  
The Balmoral Group, Manager  
On: April 2, 2018



## GULF COAST ECOSYSTEM RESTORATION COUNCIL

January 31, 2018

Grover C. Robinson, IV  
Chairman  
Gulf Consortium  
P.O. Box 1591  
Pensacola, FL 32591

### RE: Risk Assessment Update

Dear Chairman Robinson:

The Restore Council is required to assess the risk of each recipient of grant funds as described in 2 CFR 200.205.<sup>1</sup> This letter is to notify you of the Council's intent to update that assessment and requests your input in that process.

All Restore Council grant recipients must complete and certify an Organizational Self-Assessment (OSA) that provides basic organizational and management information concerning the applicant's/recipient's documented internal control, management, risk and oversight policies and procedures. Thank you for submitting your OSA and supporting documentation on September 10, 2015. Council Staff evaluated this submission along with information contained in government-wide repositories of recipient and award information, and reviewed your organization's record in managing previous Federal awards, including those awarded by the Council. After completing that review, Council Staff determined that the Gulf Consortium's risk level at the time was **HIGH**.

**High** ratings indicate there are serious deficiencies and/or area(s) of concern regarding the organization's ability to effectively implement the Federal award. The Council may require the deficiencies and areas of concern be corrected prior to award, may designate the organization as a high-risk recipient, and may impose special award conditions.

Please review your OSA and document changes to any response from your previous submission. You need only document the changes from the previous submission, and note the date of the adjustment. Also, if you now have additional documentation that supports the OSA but was not available at the time

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<sup>1</sup> For details on the Council's risk review process see the *Gulf Coast Ecosystem Restoration Council Recipient Proposal and Award Guide for Grant Recipients and Federal Interagency Agreement Servicing Agencies* version 1.01 (12-21-2015), p.42-44.

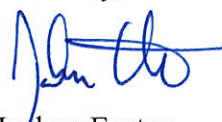
of the previous submission, please include that documentation with your updated OSA, with changes highlighted.

In addition to updating the OSA, please provide a certified statement that your organization has had an A-133 audit performed within the last fiscal year, or that the \$750,000 threshold of federal assistance was not reached and no such audit was required. If a corrective action plan was required to *address deficiencies identified for programs administered by your organization in the most recent audit*, please provide a copy of the corrective action plan and a summary schedule of the status of each audit finding and actions taken. If no corrective action plan was required, please provide a certified statement to this effect.

Please provide your response to this notice within 90 days.

We look forward to working with you to update our risk assessment of the Gulf Consortium. Please let me know if you have any questions.

Sincerely,



Joshua Easton

Grant Management Specialist

## **AGENDA ITEM 6a**

**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 6a**  
**Extension of ESA's Agreement for Consultant Services**

**Executive Summary:**

Request a recommendation from the Executive Committee to extend the term of ESA's Agreement for Consultant Services to September 30, 2018.

**Background:**

In March 2015, the Consortium and ESA entered into an Agreement for Consultant Services (as amended), which is set to expire on June 30, 2018. The Agreement provides for an automatic one-year extension unless the Consortium provides written notice of non-renewal no less than 30 days prior to the expiration date of the then-current term.

Although a one-year extension may not be necessary, we do recommend extending the Agreement until September 30, 2018, to provide for completion of the SEP review and approval process.

**Options:**

- Option #1, Recommend approval of contract extension.
- Option #2, Recommend rejection of the contract extension.
- Option #3, Executive Committee Direction.

**Recommendation:**

Option #1

**Attachment:**

Draft Third Amendment to ESA's Agreement for Consultant Services

**Prepared by:**

Lynn M. Hoshihara  
Nabors, Giblin & Nickerson, P.A.  
General Counsel  
On: March 31, 2018

**THIRD AMENDMENT TO THE AGREEMENT FOR CONSULTANT  
SERVICES FOR STATE EXPENDITURE PLAN BETWEEN THE  
GULF CONSORTIUM AND ENVIRONMENTAL SCIENCE ASSOCIATES**

This Third Amendment to the Agreement for Consultant Services is entered into by and between the **Gulf Consortium**, a legal entity and public body organized and created pursuant to an interlocal agreement among the 23 county governments along Florida's Gulf Coast (the "Consortium"), and **Environmental Science Associates**, whose business address is 4350 West Cypress Street, Suite 950, Tampa, Florida 33607 (the "Consultant").

**WHEREAS**, the Consortium and the Consultant previously entered into an Agreement for Consultant Services, dated March 13, 2015, as subsequently amended (the "Agreement"); and

**WHEREAS**, the Agreement is currently set to terminate on June 30, 2018; and

**WHEREAS**, the parties wish to amend the Agreement to extend the contract term.

**NOW THEREFORE**, in consideration of the mutual covenants herein and other good and valuable consideration, the parties agree to amend the Agreement as follows:

1. The term of the Agreement is hereby extended until September 30, 2018.
2. All other provisions of the Agreement shall remain in full force and effect.

**WHERETO**, the parties have set their hands and seals effective the date whereon the last party executes this Agreement.

**GULF CONSORTIUM**

**ENVIRONMENTAL SCIENCE  
ASSOCIATES**

By: \_\_\_\_\_  
**Grover C. Robinson IV,**  
**Chairman**

By: \_\_\_\_\_  
**Doug Robison,**  
**Vice President**

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**SECRETARY/TREASURER:**

By: \_\_\_\_\_  
**John Meeks**

## **AGENDA ITEM 7**

**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 7**  
**Planning Grant Update: Analysis of Work Orders Approved and**  
**Planning Grant Award**

**Statement of Issue:**

Presentation of Work Orders approved to date and a comparison of that encumbered amount with respect to the Planning Grant Award. For information only; no action is required.

**Background:**

On April 22, 2016, the Consortium approved a contract amendment for the ESA Consulting Team to assist the Consortium in developing Florida's State Expenditure Plan for the Governor's submission to the Restoration Council for the Spill Impact Component of the RESTORE Act. The ESA Team was selected and hired after a comprehensive, competitively procured process. The Contract between the Consortium and ESA is a not-to-exceed amount of \$2,722,780. The contract is performed on a work order basis.

A Planning Grant in the amount of \$4,640,675 was awarded to the Consortium on June 23, 2016. The Consortium executed the grant agreement on June 28, 2016.

The Consortium hired Nabors, Giblin & Nickerson (NGN) as its General Counsel, also after a comprehensive, competitively procured process. On September 13, 2016, the Consortium approved a contract with NGN to be funded partially from the planning grant. The contract between the Consortium and NGN is a not-to-exceed amount of \$150,000 per year, \$90,000 of which can be funded by the grant, annually.

The Consortium hired The Balmoral Group, LLC (TBG), as Manager for the Consortium, also after a comprehensive, competitively procured process. On May 17, 2017, the Consortium approved a contract with TBG to be funded partially from the planning grant. The contract between the Consortium and TBG is a not-to-exceed amount of \$103,056 per year, \$60,000 of which can be funded by the grant, annually.

**Recent Activity:**

Langton Consulting and Consortium staff enrolled the Consortium in Council's invoicing and payment systems and commenced the drawdown and disbursement of federal grant funds. Thirteen payment requests totaling \$2,425,160.22 have been submitted and paid to date.

The Consortium submitted its last Financial Progress report on October 30, 2017. The next Progress report is due April 30, 2018.



**Analysis:**

As of March 31, 2018 the Consortium has approved eleven tasks and work orders, totaling \$2,716,408, broken down as follows:

|  |           |
|--|-----------|
| <u>Task 1</u> (PSEP, Planning Grant App)<br>(Approved 1/21/15) (\$35,980 of which is funded by the grant)                                      | \$50,980  |
| <u>Task 2</u> (Goal Setting Workshop)<br>(Approved 3/25/15)  | \$21,560  |
| <u>Task 3</u> (Public Involvement – Phase I)<br>(Approved 6/19/15)   | \$82,388  |
| <u>Work Order 4(A)</u> (Prelim Project List – Phase I)<br>(Approved 6/28/16)   | \$92,660  |
| <u>Work Order 4(B)</u> (Preliminary Project List-Phase II)<br>(Approved 9/13/16)   | \$209,100 |
| <u>Work Order 5</u> (Grant Management Services)<br>(Approved 4/21/16) (\$5,000 per month for 24 months)  | \$120,000 |
| <u>Work Order 6</u> (Map Preliminary Project List & Perform<br>Gaps Analysis)<br>(Approved 12/2/16)  | \$455,290 |
| <u>Work Order 7</u> (Complete Draft Project List and Conduct<br>Detailed Project Evaluation & Refinement)<br>(Approved 4/6/17)                 | \$518,320 |
| <u>Work Order 8</u> (Conduct Project Leveraging Analysis &<br>Sequencing & Implementation Strategy)<br>(Approved 5/17/17)                      | \$398,110 |
| <u>Work Order 9</u> (Prepare Draft State Expenditure Plan Document<br>and Conduct Legal Review)<br>(Approved 6/28/17)                          | \$276,000 |
| <u>Work Order 10</u> (Draft State Expenditure Plan Review and<br>Revisions; Stakeholder Outreach and Public Involvement)<br>(Approved 9/27/17) | \$360,800 |
| <u>Work Order 11</u> (Prepare Final State Expenditure Plan; Coordinate<br>Review and Approval of Final SEP)<br>(Approved 2/08/18)              | \$131,200 |

|              |                    |
|--------------|--------------------|
| <b>Total</b> | <b>\$2,716,408</b> |
|--------------|--------------------|

Out of the grant award, the Consortium can pay for some of the costs it incurs for its meetings: Audio-Visual, Information Technology, meeting space, etc. These costs are incurred on a meeting-by-meeting basis.

Meeting AV/IT Reimbursements \$29,195.71  
(Incurred between 8/22/14 – 3/31/18)

Accordingly, the following table summarizes the grant budget as compared to Consortium-approved and grant-fundable contracts and payments to date:

|                             | <b>Grant Award</b> | <b>ESA Contract From Grant</b> | <b>NGN Contract from Grant</b> | <b>TBG Contract from Grant</b> | <b>AV / IT</b> |
|-----------------------------|--------------------|--------------------------------|--------------------------------|--------------------------------|----------------|
| <b>Contract Amounts</b>     | \$4,640,675        | \$2,722,780                    | \$180,000                      | \$120,000                      | --             |
| <b>Work Orders Approved</b> |                    | \$2,716,408                    | --                             | --                             | --             |
| <b>Payments to Date</b>     | \$2,425,160        | \$2,195,887                    | \$140,936                      | \$59,142                       | \$29,195       |
| <b>Balance</b>              | \$2,215,515        | \$520,521                      | \$39,064                       | \$60,858                       | --             |

**Prepared by:**

Craig Diamond  
The Balmoral Group, Manager  
On: March 31, 2018

## **AGENDA ITEM 8a**

**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 8a.**  
**Update on Work Order #10: Draft SEP Review and Revisions/  
Stakeholder Outreach and Public Involvement**

**Background:**

Work Order #10 authorizes the Consultant to complete Tasks 12 and 13 of the amended State Expenditure Plan development process. These tasks include:

- Task 12 - Draft SEP Review and Revisions
- Task 13 - Stakeholder Outreach and Public Involvement.

The goals of these tasks are to prepare Draft Review and Revisions of Florida's SEP after consultation with State Agencies, and to conduct an extensive Stakeholder and Public Involvement outreach effort to enhance the FSEP through broad public participation in the final product. The undertaking of Tasks 12 and 13 support Phase IV – Final SEP Development.

**Update:**

*Task 12 - Draft FSEP Review and Revisions*

The Consultant team worked with the counties to update their projects and programs from the Preliminary Draft SEP, and developed the Draft SEP. which was approved by the Consortium on January 11, 2018 for release to start the public review process. The Consultant team met with DEP and FWC staff to review the Draft State Expenditure Plan and begin the agency review process. A state coordinated review coordinated by DEP included the following state agencies: the Florida Fish & Wildlife Conservation Commission; the Department of State, the Department of Economic Opportunity; the Department of Transportation; the Department of Agriculture and Consumer Services; and Florida Water Management Districts with regulatory jurisdiction over projects, programs and activities included in the Draft State Expenditure Plan. Consolidated comments from FDEP were received by the Consultant team on March 22, 2018. Comments received from the coordinated State agency review will be summarized in a Technical Memorandum for the April 26<sup>th</sup> Board Meeting.

### *Task 13 - Stakeholder Outreach and Public Involvement*

ESA consultant team developed a *Stakeholder Outreach and Public Involvement Program* to facilitate stakeholder review, and to solicit public comments. In coordination with the Gulf Consortium Manager, a new page and portal on the existing Gulf Consortium website was created to receive public comments. To engage various stakeholders and citizen groups in the public review of the Draft SEP, the consultant team conducted (2) public hearings and (2) webinars at the dates and times listed below:

#### **Public Hearing- Bay County**

*January 22, 2018*

Time: 6:30pm

Location: Commission  
Chambers 840 W. 11th Street,  
Panama City, FL 32401

#### **Public Review Webinar**

Feb 1, 2018 11:30 AM EST

<https://register.gotowebinar.com/register/8994065976187824131>  
United States: +1 (415) 655-0052  
Access Code: 340-546-329

#### **Public Hearing - Hillsborough County**

*January 23, 2018*

Time: 6:30pm

Location: Conference Rooms A&B on  
the 26th Floor of the County  
Center 601 E Kennedy Blvd, Tampa,  
FL 33602

#### **Public Review Webinar**

Feb 15, 2018 2:00 PM EST

<https://register.gotowebinar.com/register/2801758325553429507>  
United States: +1 (631) 992-3221  
Access Code: 156-211-997

The public comment period closed on March 2, 2018. Comments received from stakeholders and the public will be summarized in a Technical Memorandum for the April 26<sup>th</sup> Board Meeting.

The ESA consultant team has initiated revisions to the Draft State Expenditure Plan in response to both state agency and public comments. As directed by the Consortium, the ESA consultant team will make further revisions to the Draft State Expenditure Plan, as appropriate.

#### **Recommendation:**

No action required; for information only.

#### **Prepared by:**

Doug Robison  
SEP Project Manager  
Environmental Science Associates  
On: April 2, 2018

## **AGENDA ITEM 8b**

**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 8b**  
**Update on Work Order #11: Prepare Final Florida State Expenditure Plan**

**Background:**

Work Order #11 authorizes the Consultant to complete Task 14 of the amended State Expenditure Plan (SEP) development process. The work order includes:

- Task 14 - Prepare Final Florida State Expenditure Plan

The goals of this task are to: 1) coordinate and facilitate the timely review of the Final SEP with both the Governor's office and the RESTORE Council, including face to face meetings and ongoing communications as needed; 2) make any additional revisions to Final SEP based on comments received from the Governor's office and Council; and, 3) produce and distribute the Final SEP document upon formal approval by the Council.

**Update:**

*Task 14 - Prepare Final Florida State Expenditure Plan*

The Consultant team, as well as the Consortium Manager and General Counsel met with RESTORE Council staff in New Orleans on March 27, 2018 to receive Council comments on their initial review of the Draft SEP. The written comments received from the Council are provided as an attachment. In addition, the Consultant team has provided a summary of public, State agency, and Council comments to each member County and has set up teleconferences with the Counties to discuss any potential revisions to their project descriptions. The Consultant team is working towards the preparation of the Draft Final SEP, and will complete revisions in response to the various public and agency comments upon approval by the Consortium.

**Attachments:**

Council comments on the Draft SEP.

**Recommendation:**

No action required; for information only.

**Prepared by:**

Doug Robison  
SEP Project Manager  
Environmental Science Associates  
On: April 2, 2018

**Council Staff Comments on Draft Florida State Expenditure Plan**  
**March 20, 2018**

**State Transmittal Letter:** Pursuant to the Council's SEP Guidelines, a transmittal cover letter (signed by an authorized official representative for the State member) is required as part of the formal request for Chair approval of the SEP. In addition to the required information for the cover letter (i.e., the submitting agency's point of contact's name, title, address, telephone number, fax number, and email address ), we recommend that the following sentence be included in the cover letter: "The State of Florida hereby ratifies the certifications made on its behalf in the attached State Expenditure Plan."

**Distinguishing Infrastructure from Water Quality Restoration (pages X and 6):** We appreciate that the draft SEP includes an explanation regarding the distinction between water quality activities that are categorized as restoration and those that would be categorized as infrastructure and would count against the 25 percent cap. In general, you have accurately captured the essence of the distinction: the former are primarily designed to address water quality issues, whereas the latter are primarily designed to provide economic benefits. To ensure that the SEP accurately conveys this distinction, we recommend that the language on pages X and 6 be edited to read as follows: *"It should be noted that a fairly large proportion of Florida's allocated Spill Impact Component funds are proposed for use on projects that involve the conversion of septic tanks to central sewer facilities to remediate legacy coastal water quality impairments. The Council has provided guidance that if the primary objective of such projects is to improve degraded water quality, such projects would not be categorized under item (VI) in the list of eligible activities set forth in the Act and would not be subject to the 25 percent infrastructure limitation. However, septic-to-sewer conversions to improve existing degraded water quality conditions can be distinguished from the extension of central sewer facilities into undeveloped areas. If the primary objective of the latter project type is to encourage economic activity, then such a project type would be categorized under item (VI) and would be subject to the 25 percent infrastructure limitation."*

**State Certifications (pages X and 5):** To be consistent with the applicable language in the RESTORE Act, we recommend that the certification regarding consistency with the Comprehensive Plan be edited to read as follows: *"The Florida SEP takes into consideration the current Comprehensive Plan adopted by the Council and is consistent with the goals and objectives of the Plan."*

**Consortium as Designated Entity (page 3):** In the following sentence, to avoid confusion we recommend replacing the words "state agency" with the word "entity": *"The Consortium is also the designated state agency responsible for the development of the Florida State Expenditure Plan (SEP), as recognized in the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act) and subsequent rulemaking."*



**Financial Controls:** We appreciate the SEP's discussion regarding the financial controls and administrative protocols that the Consortium will put into place to implement the approved SEP and comply with all applicable federal and state laws, regulations and other requirements. Please note that before the Council will approve an award to the Consortium, the Consortium must have an adequate control infrastructure in place to provide reasonable assurance that the Consortium can manage the award in compliance with federal statutes, regulations and the terms and conditions of the award. The Consortium will be required to provide sufficient documentation, including an updated Organizational Self-Assessment, so that the Council can make this determination.

**Preventing Conflicts of Interest:** Thank you for including a proposed revised conflict-of-interest contract provision between the Consortium and ESA on page 30 of the SEP application. However, it is our understanding that this revised language was not approved by the Consortium board and that the original conflict provision, in the executed current agreement between the Consortium and ESA, remains in full force and effect. In any event, we advised the Consortium's General Counsel that we would require modification of the proposed revised conflict language.

**Compliance with 25% Infrastructure Limitation and Project Summary Table:** The draft SEP complies with this limitation. However, the discussion of this matter on page 457 and the associated project summary table appear to not count a number of infrastructure projects against the 25% limit. Here is the draft SEP language in question: *"As shown in the Project Summary Table, a total of three projects and programs have been determined to be "infrastructure" pursuant to guidance provided by the Council and Treasury Department. The total Spill Impact Component request for these projects is \$4,025,400, which is 1.3 percent of Florida's Spill Impact Component allocation of \$294,338,815."* It appears that there are at least ten projects that would count against the infrastructure cap, totalling \$31,473,400 (or approximately 11% of total funding available). According to our analysis, these projects are: Okaloosa Shoal River (3-4), Franklin County Emergency Ops (7-1), Franklin Co. Cooperative Dredging (7-3), Dixie Co. Horseshoe Beach (11-1), Hernando Co. Waterway/Access (14-3), Hernando Beach WQ (14-5), Pasco Co. Port Richey Watershed (15-1), Pasco Co. Hammock Creek (15-2), Pasco Co. Madison Street (15-6), and Pasco Co. Ranch Road (15-8). Please also see the project specific recommendation below for the Jefferson County Headwaters Protection Program (9-1), which may also count against the cap. We recommend that this table and the associated summary language be cross-checked against the project narratives and corrected with respect to the number of infrastructure projects and total amount of infrastructure funding being requested. Additionally, related to the Project Summary Table on pages 455-456, please consider clarifying whether the "State of Development" column refers to the current stage of development of the project or program or to the intended stage of development after SEP implementation.

**Metrics and Success Criteria:** Thank you for working to coordinate success criteria across similar projects/programs. To assist Council staff in meeting federal granting requirements and

allow for tracking success across all Consortium projects, please be aware that Council staff may request the metrics selected at the project stage better align with existing Council metrics and/or better align across similar projects/programs. As you develop your individual project applications please work with Jessica Henkel ([jessica.henkel@restorethegulf.gov](mailto:jessica.henkel@restorethegulf.gov)) to ensure that metric selection is coordinated and consistent.

## **Project-Specific Recommendations**

**Bayou Chico Contaminated Sediment Remediation Project (1-1):** The Bucket 2 funds approved for this project are for planning purposes (e.g., engineering, design and permitting). The discussion of the Bayou Chico project in the SEP should indicate the status of the Bucket 2 funding and describe how it will be used with proposed SEP funding in the planning phase of this project.

**Okaloosa County Choctawhatchee Bay Estuary Program (3-3):** The SEP indicates that an additional \$1,250,000 has been secured under the Direct Impact Component for this effort. We would recommend that the status of this funding be clarified. Specifically, has Treasury approved these funds?

**Wakulla County Coastal Access Program (8-2):** The SEP indicates that an additional \$600,000 has been secured under the Direct Impact Component for this effort. We would recommend that the status of this funding be clarified. Specifically, has Treasury approved these funds? In addition, the Success Criteria and Monitoring Section of this activity is missing. Please add the appropriate success criteria and monitoring language.

**Jefferson County Headwaters Protection Program (9-1):** This program has two distinct purposes: addressing water quality issues and promoting economic growth. The selected primary eligible activity (#1 - restoration and protection of the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, and coastal wetlands of the Gulf Coast region) is not appropriate for the latter activity (promoting economic growth). To ensure effective accounting with respect to the 25 percent infrastructure cap, we recommend that this program be separated into two projects, the first being a water quality project, addressing eligible activity #1, and the second pertaining to economic growth, addressing eligibility activity #6. Ultimately, the two projects could be implemented together. At the SEP review stage, however, this recommended separation will ensure full consistency with the Act, applicable Treasury regulations and the Council's SEP Guidelines. If from an administrative perspective it would be preferable to keep these two activities within one program, then we would recommend selecting #6 (infrastructure projects benefiting the economy or ecological resources, including port infrastructure) as the primary eligible activity. Doing so would ensure that infrastructure activities are appropriately counted against the 25 percent cap and would be consistent with eligibility determinations for similar programs in the draft SEP such as the Okaloosa County Shoal River Headwaters Protection Program (3-4).

**Jefferson County Wacissa Park Master Plan Program (9-2):** The Success Criteria and Monitoring section of this activity does not include language regarding Jefferson County's commitment to monitoring to quantify project benefits. As this language is included with most other activities in the SEP, we suggest revising this section to include this language.

**Jefferson County Recreation/Public Access Program (9-3):** The Success Criteria and Monitoring section of this activity does not include language regarding Jefferson County's commitment to monitoring to quantify project benefits. As this language is included with most other activities in the SEP, we suggest revising this section to include this language.

**Citrus County Barge Canal Boat Ramp (13-2):** In the Best Available Science section, the SEP indicates that permits have been obtained, but nothing further. Since this is a boat ramp, this level of detail seems appropriate. Consistent with other project narratives in this SEP, Council staff suggest adding language that BAS does not apply as the objective of this project is recreational access. .

**Hernando County Water Quality Improvement Program: Hernando Beach Commercial Area Stormwater (Calienta Street) (14-5):** For this program, the primary eligible activity is #7 "Coastal flood protection and related infrastructure", but the primary goal is "Restore Water Quality and Quantity", and the secondary goal is "Enhance Community Resilience". This seems inconsistent. We suggest that you make "Enhance Community Resilience" your primary goal and "Restore Water Quality and Quantity" your secondary goal.

**Pasco County Port Richey Watershed Stormwater Management Project (15-1):** Eligible Activity #7 "Coastal flood protection and related infrastructure" was identified. However, the primary goal selected is "Restore Water Quality and Quantity", and the secondary goal selected is "Restore and Conserve Habitat". This seems inconsistent, as the water quality/quantity goal is intended to be for projects that benefit habitat and/or natural resources. Council staff recommends that you select "Enhance Community Resilience" as the primary goal. The goal "Restore Water Quality and Quantity" could be selected as a secondary goal.

**Pasco County Hammock Creek - Sea Pines Stormwater Management Project (15-2):** Eligible Activity #7 "Coastal flood protection and related infrastructure" was identified. However, the the primary goal selected is "Restore Water Quality and Quantity", and the secondary goal is "Restore and Conserve Habitat". These goals are related to habitats and natural resources, and therefore seem inconsistent with the chosen primary eligible activity. Council staff recommend that you choose the goal "Enhance Community Resilience" as your primary goal. You could then identify the other two goals as secondary.

**Pasco County Inshore Artificial Reef Development Program (15-3):** Eligible Activity #1 (Restoration and protection of the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches and coastal wetlands of the Gulf Coast region) was chosen as primary eligible activity, and #10 (Promotion of tourism in the Gulf Coast region, including recreational

fishing) as the secondary. This appears to be inconsistent with other artificial reef projects in this SEP, where #10 was chosen as primary. It also appears to be inconsistent with the BAS description, where it was acknowledged that this project is more in common with artificial reef projects. Council staff recommend that you choose eligible activity #10 as the primary. We also recommend that you select "Replenish and Protect Living Coastal and Marine Resources: as the primary goal of this project.

**Pasco County Coastal Environmental Research Network (CERN) (15-4):** The Success criterion "Acres of habitat restored" seems inconsistent with the rest of the project description, as it does not appear that actual restoration is part of the work. Council staff suggest removing this criterion.

**Pinellas County Wastewater Collection System Improvements (16-2):** More information is needed regarding the budget. The table indicates that \$18,000,000 is needed to complete the project, but only \$5,680,000 is being dedicated through this SEP. The budget shortfall shows \$0, when it appears that the budget shortfall is in fact \$12,320,000. Clarification is needed.

**Pinellas County Land Acquisition for Public Access to Coastal Waterways (16-4):** Consistent with other project narratives in this SEP, Council staff suggest adding language that Best Available Science does not apply as this is primarily a tourism focused activity.

**Manatee County Preserve Management Plans (18-3):** In addition to discussing the use of current literature, Council staff suggest the Best Available science section of this activity could be improved by providing the references for the existing management plans described in the Project Narrative. In addition, for consistency with other SEP activities, Council staff suggest adding a Success Criterion regarding the development of watershed management plans such as, "Number of completed watershed management plans."

**Manatee County Palmetto Greene Bridge Fishing Pier Replacement (18-5):** Consistent with other project narratives in this SEP, Council staff suggest adding language that Best Available Science does not apply as this is primarily an economy focused activity.

**Manatee County Trail and Boardwalk Enhancements on Coastal Preserves (18-7):** Council staff suggest updating the beach/dune walkover guidelines reference to the 2017 update available here: <https://floridadep.gov/water/coastal-construction-control-line/documents/beach-and-dune-walkover-guidelines>. In addition, the narrative says Manatee County has committed \$2 million (of the estimated \$2 million total required for this project) from Spill Impact funds, but the table shows only \$956,667 coming from Spill Impact funds. Please address this apparent inconsistency. Finally, please note that a primary eligible activity was not identified. All projects and programs in a SEP must identify one primary eligible activity.

**Manatee County Coastal Watershed Management Plans (18-8):** Change in pollutant loadings may not be an appropriate metric, as this is not an implementation project. Council Staff suggest removing pollutant loading success criterion for this activity.

**Monroe County Canal Management Master Plan Implementation (23-1):** The map included showing Monroe County is mislabeled. Monroe is one county south.

## **AGENDA ITEM 9a**

**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 9a**  
**Status of the SSEP and RESTORE Coordinators' Meetings**

**Executive Summary:**

An update on Council's review of the Stand-Up State Expenditure Plan Board and ongoing meetings with county Coordinators. For information only; no action is required.

**Background:**

On February 8<sup>th</sup>, 2018, the Board approved transmittal of the SSEP, with text edits to reflect a desire to maximize the use of county staff resources, to the Governor's office. The updated SSEP, including comments presented at the Board meeting, was sent to Jared Williams and Julia Espy of the Office of Policy & Budget on February 15<sup>th</sup>. The Governor's office directed Noah Valenstein, the DEP Secretary, to transmit the SSEP to Council, where it was received on March 2, 2018.

Council staff reviewed the SSEP and in March 26, 2018 transmitted to the Chair of the Council, Scott Pruitt, Administrator of the US EPA, a recommendation for approval of the SSEP. The recommendation, affirming a determination of completeness and conformity with SEP guidelines, was shared with the manager at a meeting with Council on March 27, 2018. Pursuant to Council's established 60-day calendar, a final decision by the Chair is required by May 1.

**Attachment:**

March 26, 2018 Council Memo to Council Chair

**Prepared by:**

Craig Diamond  
The Balmoral Group, Manager  
On: April 2, 2018

Gulf Coast Ecosystem Restoration Council  
New Orleans, LA 70130



**MEMORANDUM**

**FROM:** Ben Scaggs *B. Scaggs*  
Acting Executive Director

**TO:** Scott Pruitt  
Administrator, U.S. Environmental Protection Agency (EPA)  
Chairperson, Gulf Coast Ecosystem Restoration Council (Council)

**DATE:** March 26, 2018

**SUBJECT: Recommendation for Approval of Florida Stand-Up State Expenditure Plan**

Pursuant to the Resources and Ecosystems Sustainability, Tourist Opportunities and Revived Economies of the Gulf Coast States Act of 2012, 33 U.S.C. §1321(t) (RESTORE Act), the attached Florida Stand-Up State Expenditure Plan (SEP) requires approval or disapproval by the Chairperson of the Council within sixty days after receipt. This sixty-day review period officially began on March 2, 2018; the statutory deadline for Chairperson approval or disapproval is April 30, 2018.

According to the Council's SEP Guidelines, Council staff is required to review the proposed Stand-Up SEP and make a recommendation to the Chairperson on whether to approve or disapprove it based on the requirements of the RESTORE Act, the Department of the Treasury's implementing regulations and the Council's SEP Guidelines.

I have reviewed the Stand-Up SEP and find that it is complete and meets all applicable requirements. I therefore recommend that Scott Pruitt, Chairperson of the Council, approve the Stand-Up SEP on behalf of the Council. A more detailed explanation of this recommendation is provided below. If the Chairperson agrees with this recommendation and approves the Stand-Up SEP, the attached response letter has been prepared for the Chairperson's signature.

The attached letter would constitute the Chairperson's affirmative vote to approve the Stand-Up SEP. Pursuant to section 4.3.3 of the Council's Standard Operating Procedures, Council staff will post on the Council's website all deliberative materials (including this memorandum) at least seven days before formal Council approval of the Stand-Up SEP.



Memorandum to Chairperson

Re: Recommendation for Approval of Florida Stand-Up State Expenditure Plan

March 26, 2017

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## **BACKGROUND**

The RESTORE Act established the Council as an independent federal entity. Among other duties, the Council is tasked with administering the Spill Impact Component of the RESTORE Act, under which thirty percent of the funds in the Gulf Coast Restoration Trust Fund (Trust Fund) are disbursed to the five Gulf Coast States based on an allocation formula established by the Council by regulation, based on criteria in the RESTORE Act. In order for Spill Impact Component funds to be disbursed to a State or their administrative agent, the RESTORE Act requires each State to develop a SEP and submit it to the Chairperson for approval.

Under the RESTORE Act, the Council itself has no role in the creation of SEPs or the design or selection of SEP activities; these actions are undertaken solely by the State members. The RESTORE Act specifies four criteria that SEPs must meet in order to be eligible for funding under the Spill Impact Component, and when a SEP meets these criteria (and otherwise complies with the RESTORE Act and Treasury regulations) the Council has no authority or discretion to reject a SEP, to select or designate alternative versions of a SEP, or to select or designate alternative activities within a SEP. Although the Council must determine whether a SEP has met these statutory criteria, the RESTORE Act does not grant the Council discretion to separately consider external factors, such as environmental impacts, in its statutory review.

In March 2016, the Council updated its SEP Guidelines, which describe the required elements of a SEP, the process for submitting a SEP and the standards by which the Chairperson will evaluate a SEP. The SEP Guidelines set forth the elements required in a SEP to ensure compliance with the RESTORE Act and applicable Department of the Treasury regulations. The SEP Guidelines reiterate the four statutory criteria that all SEPs must meet:

1. Each activity in the SEP must be eligible for funding under the RESTORE Act.
2. The SEP must contribute to the overall economic and ecological recovery of the Gulf Coast.
3. The SEP must take into consideration the Council's Comprehensive Plan and be consistent with the goals and objectives of the Comprehensive Plan.
4. No more than 25% of the funding made available in a SEP may be used for infrastructure projects under eligible activities 6 and 7 (i.e., coastal flood protection, port and other infrastructure projects) unless a waiver is provided as described in the RESTORE Act.

The Council staff review found that the Florida Stand-Up SEP meets all four of the required criteria. The review also found that it was complete and met all of the other requirements set forth in the SEP Guidelines. These requirements include descriptions of the financial controls and other financial integrity mechanisms that will be used, a description of the process used for preventing conflicts of interest in the development and implementation of the Stand-Up SEP, project-specific information, a certification that all activities in the Stand-Up SEP comply with RESTORE Act requirements, and

Memorandum to Chairperson

Re: Recommendation for Approval of Florida Stand-Up State Expenditure Plan

March 26, 2017

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information regarding the public participation process used in developing the Stand-Up SEP.

Pursuant to the SEP Guidelines, all Council members were given twenty days to review the Stand-Up SEP for completeness and consistency with the four statutory criteria described above. Council members were to provide any comments they might have in that regard to Council staff, which in turn would provide them to the Chairperson for his/her consideration in the approval or disapproval of the Stand-Up SEP. Council staff received comments and questions from EPA relevant to the Stand-Up SEP. These comments have been addressed with EPA; no changes to the Stand-Up SEP document were needed. No other Council member provided comments on the Florida Stand-Up SEP.

The Florida Stand-Up SEP, if approved, would provide \$221,038 in Spill Impact Component funding to support coastal restoration activities. Specifically, these funds would be used for planning assistance activities to enable the Gulf Consortium to provide the financial and managerial structure necessary for implementation of projects included in the Florida SEP. The four primary elements of the administrative structure to be developed include: 1) grant management, 2) procurement and contract management, 3) accounting and finance, and 4) technical oversight of deliverables under contracts and grant sub-awards. This financial and managerial structure will be developed by the Gulf Consortium, the designated entity responsible for the development of the Florida SEP.

Once the SEP is approved, funding for the single project, composed of planning activities, in the Stand-Up SEP will be disbursed to the Gulf Consortium via a federal grant. As part of the grant process, all activities for which funding is sought will be carefully reviewed to ensure consistency with the approved SEP and compliance with the RESTORE Act and all other applicable requirements. Funding for the planning activities in the Stand-Up SEP will be awarded after verification of a direct relationship to the Spill Impact Component.

In summary, Florida's proposed Stand-Up SEP complies with all of the applicable requirements set forth in the RESTORE Act, Treasury regulations and SEP Guidelines. If approved by the Chairperson, we look forward to working with the Gulf Consortium to help ensure an efficient grant process for the activities included in the Stand-Up SEP.

Thank you in advance for your review of this matter. Please do not hesitate to let me know if you have any questions or would like to discuss this matter further. Technical questions regarding the Stand-Up SEP can be directed to John Ettinger of Council staff at (504) 444-3522 or at [john.ettinger@restorethegulf.gov](mailto:john.ettinger@restorethegulf.gov).

#### ATTACHMENTS

1. Florida Stand-Up State Expenditure Plan
2. Draft Letter Approving Florida's Stand-Up State Expenditure Plan

## **AGENDA ITEM 9b**

**Gulf Consortium Executive Committee**  
**April 9, 2018**

**Agenda Item 9b**  
**Request to Approve Submittal of Planning Assistance Grant Application to**  
**Council for Implementing the SSEP**

**Executive Summary:**

Pending Council Chair's approval of the SSEP, staff requests Executive Committee recommendation for the submittal of a grant application to the RESTORE Council for SSEP implementation.

**Background:**

On February 8<sup>th</sup>, 2018, the Board approved transmittal of the Final SSEP to the Governor's office. With no further review by the State of Florida, the SSEP was transmitted to RESTORE Council. Council staff determined that the SSEP is complete and conforms to SEP guidelines, and forwarded its recommendation for approval to the Council Chair on March 26. A final decision by the Chair is expected prior to May 1.

**Analysis:**

Upon final approval by the Council Chair, the Gulf Consortium is eligible to submit a planning assistance grant application to Council to implement the SSEP. Per the Consortium's (Council-approved) pre-award reimbursement request and the Board's budget, the grant application would be for \$221,038.

The grant application will provide further details regarding longer-term framework of the Consortium as implementer of the SEP, including the following subjects:

- Reimbursement for development of the SSEP;
- Establishment of internal controls for the Consortium;
- Purchasing of grant management software (decision by the Board, pending Council's selection of a replacement system for RAAMS);
- Contracting with a fiscal agent;
- Policies and procedures for sub-awards; grant management, and financial administration; and
- Policies and procedures for procurement of services for the Consortium, including technical oversight, best available science, etc.

Per Board direction, the proposed approaches to implementation under the SSEP will specify measures to control costs for necessary services and avoid duplication of effort for the Counties.

Initial assembly of planning assistance grant materials by staff during April will minimize the time need to finalize the grant application, should the Board agree to approve it submittal.

**Options:**

- 1) Recommend that staff initiate preparation of the planning assistance grant to implement the SSEP for consideration by the Board.
- 2) ExCom Direction.

**Recommendation:**

Option 1.

**Prepared by:**

Craig Diamond  
The Balmoral Group, Manager  
On: April 2, 2018