



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

November 26, 2008

Mr. John Cassani, Chair
Southwest Florida Watershed Council, Inc.
P.O. Box 61063
Fort Myers FL 33906-1063

Dear Mr. Cassani:

Subject: Caloosahatchee River MFL and Lake Okeechobee Water Allocation

This letter is written in response to your recent correspondence in which you posed questions concerning Caloosahatchee Estuary and Lake Okeechobee. I am glad to provide the following answers to your inquiries.

Your first question appears to refer to the recently adopted Lake Okeechobee Water Availability Rule and asks about inclusion of historic withdrawals in the base condition water use. This recently adopted rule allows historically used water to be included in the base condition water use. However, the Governing Board may, in defined circumstances, elect to not re-allocate water to permit applicants. Specifically, prior to February 28, 2010, the Governing Board reserved the right to restrict re-allocation of terminated base condition water use. After this date, the Governing Board may elect to not re-allocate water to permit applicant in even broader circumstances. The Lake Okeechobee Basin's irrigation permit renewal process is just beginning; the application date commenced on October 31, 2008. As mentioned above, historically demonstrated water use will be considered base condition water use.

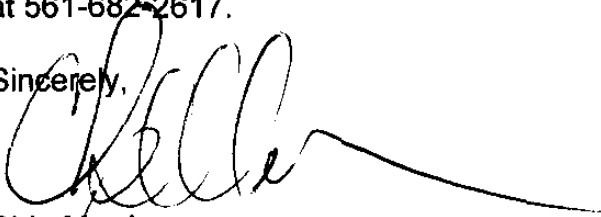
As to releases from Lake Okeechobee (Lake) to the Estuary, the U.S. Army Corps of Engineers' (USACE) new Lake Okeechobee regulation schedule allows for release of 450 cfs in the Base Flow Band. It is our understanding the USACE intends to make these releases when the Lake's level is within or above this band, except during extremely dry conditions. The regulation schedule does not "guarantee" base flow releases to the estuary, particularly during dry periods. However, when base flow releases are made, they are measured at S-79 such that inflows from the local region are also included in the volumes delivered to the estuary. The District recognizes the Lake Okeechobee regulation schedule as an incremental, non-structural improvement to flows to the Caloosahatchee estuary. However, the provision of additional storage will be necessary to address recovery of the estuary.

As for retired water uses, in summary, base condition water uses terminated after January 1, 2008 are available for the Governing Board to either allocate to permit

applicants or if the Governing Board determines this water will improve the performance of an MFL or the performance of meeting a restoration target. This water could be allocated for this purpose. As to terminated water uses, the District anticipates there may be some additional water in the Lake at some point in the future. This additional water would, potentially, be manifested in higher Lake levels which would then be reflected in the Lake's level. The USACE would, pursuant to the new Lake regulation schedule, manage the Lake's level accordingly.

Thank you for your continued interested in the District's efforts to restore South Florida ecosystems. I look forward to future discussions of these important issues. For more information, please contact Marjorie G. Craig, P.E., Director, Water Supply Department, at 561-682-2617.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chip Merriam', with a long horizontal flourish extending to the right.

Chip Merriam,
Deputy Executive Director
Water Resources
South Florida Water Management District

- c: Marjorie G. Craig, P.E., SFWMD
- Charles Dauray, Governing Board
- Phil Flood, SFWMD
- Col. Paul L. Grosskruger, USACE
- Ray Judah, Chairman, Lee County Commission
- Janet Llewellyn, DEP