Port Canaveral Environmental Stewardship

The Canaveral Port Authority is committed to environmental stewardship and concerned for our Indian River Lagoon: As a governmental body with public responsibility, the Canaveral Port Authority has been – and continues to be – committed to protecting the environment in which we all live and work, ensuring our resources are in harmony with Port Canaveral’s economic growth, maintaining the highest levels of environmental responsibility to the region.

- Green Marine Environmental Certification\(^1\) awarded in February 2015; recertification earned July 2019. Green Marine certification is a voluntary initiative for ports and others in the marine industry in the U.S., Canada and around the globe. This certification is recognized globally as the benchmark of best practices and achievement of environmental performance excellence. Port Canaveral is one of only two Florida ports to earn this certification.

- Port Canaveral’s hazardous materials and spill prevention plan exceeds federal, state and local requirements and involves detailed preventive measures, regular staff training and mandatory coordination with all regulatory and reporting agencies.

- The Port was the first industry partner in the Indian River Lagoon Innovators and Investors Network, pledging direct funding and in-kind support to the IRLNEP to help implement projects and programs that advance IRL restoration and protection.

- Port Canaveral’s Senior Director of Environmental has served on the Indian River Lagoon National Estuary Program (IRLNEP) Management Board since its founding in 2016. Since the transition to the Indian River Lagoon Council in 2016, more than $8 million has funded 114 projects.

- The Port is an active member in the American and Florida Shore and Beach Preservation Associations.

- *Port Canaveral does not use septic systems.* Port wastewater flows through a Port-owned and maintained sewer system to the City of Cocoa Beach advanced wastewater treatment plant.

- All Port stormwater at the Port is treated for nutrient reduction and discharged as clean water into Canaveral Harbor and *not* the Banana River.

- The 2019 federally-mandated and federally-funded Canaveral Harbor Sand Bypass Project was the largest volume effort in the Port Canaveral area since the first such project in 1995,

\(^1\) Details on Green Marine’s certification policy and process can be found here: [https://green-marine.org/certification/](https://green-marine.org/certification/)
at a total of $18 million. At the urging of the CPA and with the help and support of U.S. Rep. Bill Posey the project was completed this year by the U.S. Army Corps of Engineers. The project is fully managed and paid for by the Army Corps with additional funding provided by the Canaveral Port Authority as the required local project sponsor, and the Florida Department of Environmental Protection. The U.S. Air Force’s 45th Space Wing and Brevard County provided logistical support for this critical project.

The Port has invested millions of dollars in stormwater improvements and environmental initiatives to ensure water quality and habitat protection: As stewards of Port Canaveral – the maritime asset entrusted to the Port Commissioners by the Florida Legislature and the people of the Port District – the Port has for decades proactively dedicated resources and invested in preventive measures and infrastructure to protect and improve the condition of the environment in and around the Port.

- Spending $120,000 annually in monthly water quality monitoring and testing in Canaveral Barge Canal (Banana River and Indian River Lagoon), Canaveral Harbor and adjacent beaches. Port Canaveral is one of only a few U.S. seaports sustaining a long-term water quality monitoring program with a database going back to the early 1990s.

- Funding $100,000 – $200,000 annually on implementation of the Port Canaveral Inlet Management Plan that directly benefits the adjacent beaches of Cape Canaveral, Cocoa Beach, and Brevard County.

- Spending on average $80,000 annually to test and monitor groundwater and stormwater per standards of U.S. Environmental Protection Agency (EPA) and Florida Department of Environmental Protection (FDEP).

- Providing more than $70,000 annually to Keep Brevard Beautiful (KBB) through a 5-year competitively bid professional services contract for removal and control of invasive vegetation, litter and debris around Port property along SR 528 of the Indian River Lagoon and Banana River, and in the Canaveral Harbor.

- Provided IRLNEP with $100,000 funding in 2016 to fund public engagement, education, and outreach throughout the Lagoon region. This endowment enabled the NEP to match with other available funds to develop their detailed outreach strategy, which is being presented to the community this year.

- Provided IRLNEP with $15,000 for a Florida Institute of Technology (FIT) modeling study of flushing/circulation improvements associated with elevating SR 528 over the Banana River. Port and NEP staff worked with Dr. Gary Zarillo at FIT, who confirmed FIT spent considerably more in in-kind services and time on the study.
• Provides a minimum of $30,000 annually in sponsorships and special event support to nonprofit organizations that provide direct benefit to IRL: Green Marine, Sea Turtle Preservation Society, KBB, Space Coast Feline Network, Florida Wildlife Hospital, Brevard Nature Alliance, IRLNEP, and Marine Resources Council.

• Spends over $11,000 annually for membership participation in American and Florida Shore and Beach Preservation Associations and Green Marine.

• Invested over $5.5 million to install port wide berth fendering systems, storm water gratings, and an upgraded sonar-based protection system at the Canaveral Locks to protect manatees traveling through the Port.

• Investing $4.6 million to install a concrete stormwater collection and nutrient reduction vault system for new Cruise Terminal 3. A typical surface stormwater pond providing the same volume would cost $75,000 – $100,000 to dig. The Port opted to pay roughly $3.7 – $3.9 million more for the underground vault retention system to ensure environmental protection, as well as make certain to preserve and promote the free use and enjoyment of the Port’s Freddie Patrick Park boat ramps.

The Canaveral Port Authority has long been a responsible community partner for healthy waterways: As Port guardians, one of our most important tasks is to protect this environment. Our land and waters must support the well-being and interests of our cruise and cargo partners, the coastal residential community, and Florida’s special animal and plant populations, many of which are unique to the IRL environment. We are a workplace, a home and a key component in ensuring the viability of our region’s ecosystem. That’s why we have been and continue to be fully engaged in sustaining healthy waterways for our region, particularly the Indian River Lagoon.

• We have proactively invested millions of dollars in building and maintaining our infrastructure to ensure every drop of rainwater that falls on the Port goes through Port-owned and maintained stormwater treatment and retention systems with only clean water discharged in the Canaveral Harbor, not the Banana River.

• While it’s Port-owned land on which SR 528 and SR 401 sit, these are state roads under the authority and control of the State of Florida. The Port has been leading discussions with FIT, IRLNEP, the Space Coast Transportation Planning Organization and Florida DOT urging the state authority to consider options for elevating SR 528 to reduce its impact and improve circulation in the Banana River, the most impacted area of the IRL due to its configuration.

• The economic growth of Central Florida, particularly the Greater Orlando area is a driving factor in the economic “boom” in this region. Port Canaveral is supporting that growth, as well as being impacted by it. Orlando International Airport is now the busiest in the state and
among the top destination airports in the world, and the record-breaking 72 million visitors annually to Orlando is driving up vehicle traffic.

- The resurgence and growth of space operations at NASA, Cape Canaveral Air Force Station and Kennedy Space Center is fueling a renewed public interest in space exploration and driving job growth opportunities. An increasing workforce, expanding supplier base and record numbers of tourists visiting the Space Coast has increased traffic on SR 528, SR 520, SR 401, and SR A1A, and on all roadways in and around Port Canaveral. The Port matched the Florida Job Growth Grant Fund award of $8.3 million with more than $10 million to expand and repair roadways, improve wayfinding, add curbing and lighting and increase maintenance to ensure the safety and security of the public.

**Port Canaveral’s investments are paying dividends to save our Indian River Lagoon.** Port Canaveral is an asset of the Port District, and its businesses depend on responsible use of waterways. Our cruise, cargo and recreation businesses rely on the Port’s commitment to helping our habitat while preserving our Port. By the numbers, here’s how Port Canaveral is delivering its share of success to protect and improve the surrounding environment.

**Port Canaveral delivers over $1.4 million annually to the Brevard County Indian River Lagoon Program through the ½ cent special Lagoon sales tax paid to Brevard County, as approved by Brevard County voters in 2016.**

- Based on Space Coast Tourist Development Council data, approximately one-third of Port Canaveral’s cruise guests stay at least one night in a local hotel before or after their cruise, spending an average of $329 per person for lodging, meals, recreation, retail and gas. Thus, conservatively, this one-third of Port Canaveral’s multi-day passengers contributed an estimated $1,252,511 in 2018 alone to save our Lagoon. This figure does not include any special Lagoon sales tax paid by the other two-thirds of the Port’s cruise guests passing through this area.

- An additional $151,500 in sales tax revenue is generated annually by CPA direct operations and remitted to Brevard County by the Port for the Lagoon fund, with an average of more than $12,000 annual sales tax paid to the County by Victory Casino Cruises from Port Canaveral for the Lagoon fund. These figures do not include sales tax revenue collected and remitted to the County for the Lagoon by Port Canaveral’s Cove Merchants, restaurants, marinas, and small business owners.

**Port Canaveral is a valued economic engine for the Central Florida and Space Coast regions.** Port Commissioners are the governing authority elected by the voters of the Port District. Each is charged with the duty and responsibility to ensure the Port’s economic viability, and to protect and invest in its future. So, what happens if the Port’s Charter is revised to require payment of Port revenues for non-Port business purposes?
• **The Port is proud of its operating performance over the past ten years.** Revenues generated are reinvested in Port infrastructure and improving operations to ensure the Port can responsibly build and sustain all that is necessary to comply with and exceed state and federal regulatory and environmental requirements, as well as position the Port to meet the business demands of today and those into the future.

  o Port revenues have grown by 2.3 times over the most recent 10-year period. However, during this same period, the Port’s debt obligations have increased by 5.0 times. This is largely attributable to the many large projects undertaken during this period to meet market demands and secure stable revenue growth into the future.

• **The Port depends on its bond ratings for successful issuance of debt at the lowest rates.** Any change in the charter that compromises revenues would likely impact the Port’s favorable bond rating in a negative way.

  o This is critical as the Port will **very soon** enter the financial markets to secure $47 million of loan funding for completion of upgrades at Cruise Terminal 8 and Cruise Terminal 10 for Disney Cruise Line.
  o The impact of a rating downgrade is less favorable terms, higher borrowing costs and conditions on new financing (loan term and interest rate).

• **The Canaveral Port Authority has maintained a strong economic commitment to the Port District community.** Empowered by state statute, the Port Authority can levy ad valorem tax, however for 33 years it has elected not to do so, choosing rather to sustain the Port’s business health and fund its growth through reinvestment of earned revenues.

  o All of the large projects developed for our customers do not yield a financial benefit until after the project is completed. The Port must absorb the cost of the project during the construction phase and does so through a combination of investing its operational revenue and securing debt financing. A reduction in revenue from operations would necessarily be substituted by issuing additional debt.

• **Deferred maintenance projects in the Port often cannot be completed without the help of federal and state grants matched by Port revenue from operations.** For example, North Cargo Piers 3 and 4 bulkheads are desperately needed as the space industry takes an expanded footprint in the Port. With a more limited revenue stream, it is impossible for the Port to complete these projects without supplemental aid. These projects cannot be financed because the projected revenue stream following completion does not immediately justify the cost of the project, although we know in the longer term these investments to support our growing space operations are critical. Even with grant funding, there is almost always a required match that can only be satisfied with revenue from operations.
• All property in the Port is built and maintained by the Port – roads, parking lots, traffic signals, and utility installations required for water and sewer. While grants do assist on occasion, all roads and common area infrastructure is the responsibility of and paid for by the Port.

The Canaveral Port Authority is committed to sustaining a healthy future for our Port and the surrounding environment in which we live and work. The CPA welcomes discussion with all elected representatives to explore the possibilities that lead to responsible and sustainable solutions for our communities.

• The CPA urges the entire Brevard Legislative Delegation to work with Senator Gayle Harrell of Martin County on her legislation to dedicate $200 million to Florida’s estuaries, including the Indian River Lagoon.

• The CPA commends the efforts and encourages implementation of the Brevard County Indian River Lagoon program, projected to generate more than $486 million over the 10-year period of the tax for Lagoon restoration and improvement projects. To date more than $106 million has been collected and $7,000,000 has been invested in projects (Source: Brevard County Save Our Lagoon Dashboard https://www.brevardfl.gov/SaveOurLagoon/Dashboard).

• The CPA Board of Commissioners strongly support sustainable solutions to improve the health of our region’s waterways, especially the Indian River Lagoon.
  
  o On December 5, 2018 Commissioners voted unanimously to adopt a Resolution urging the Florida Department of Transportation to study and evaluate infrastructure improvement options to SR 528 and SR 520 and encouraged the inclusion of any and all infrastructure improvements that will benefit the Lagoon, the economy and the resiliency of essential transportation corridors and infrastructure.
  
  o On April 27, 2016 Commissioners voted unanimously to adopt a Resolution supporting the initiative of the Space Coast and Treasure Coast Regional League of Cities “Indian River Lagoon Regional Compact: One Lagoon – One Community – One Voice” to be responsible stewards of the Indian River Lagoon by working in a collaborative manner.

• The CPA offers to explore other local and regional programs and partnerships to help advance program solutions and project implementation for improving the health of the Indian River Lagoon.