Approved March 6, 2013

TEXAS STATE SOIL AND WATER CONSERVATION BOARD

Policy on Allocation of FY2013 Grant Funds for the Water Supply Enhancement Program

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Being designated as the lead agency for administering a Water Supply Enhancement Program to increase available surface and ground water through selective control of brush species that are detrimental to water conservation (Texas Agriculture Code §§203.002 and 203.011), it is the policy of the Texas State Soil and Water Conservation Board to administer a water supply enhancement cost-share program for brush control (Texas Agriculture Code §203.151) in a manner consistent with agency rules (31 Texas Administrative Code Chapter 517, Subchapter B) and the following policy provisions.

This policy describes the agency's Water Supply Enhancement Program purpose and goals, the competitive grant process and proposal ranking criteria, factors that must be considered in a feasibility study, the geospatial analysis methodology for prioritizing acreage for brush control, and how the agency will allocate funding.

The Texas State Soil and Water Conservation Board has appointed a Stakeholder Committee and a Science Advisory Committee to assist the agency in implementing statutory changes to the Water Supply Enhancement Program.

GOALS

The purpose of the Water Supply Enhancement Program is to increase the availability of surface and ground water supplies through the targeted control of brush species detrimental to water conservation. Water Supply Enhancement Program goals, as recommended by the Stakeholder Committee, describe the intended use of a water supply enhanced by the program and the populations that the program will benefit. Goals are adopted to include:

General Goals

- Enhance domestic and municipal uses, including water for sustaining human life and the life of domestic animals, agricultural and industrial uses, which means processes designed to convert materials of a lower order of value into forms having greater usability, commercial value, and environmental flows.
- Enhance mining and recovery of minerals, power generation, navigation and recreation and pleasure, and other beneficial uses.

Specific Goals

- Implement project proposals that most enhance water quantity to the municipal water supplies most in need.
- Direct program grant funds toward acreage within an established project that will yield the most water.

COMPETITIVE GRANT PROCESS

A competitive grant process will be used to select projects and allocate funds for the fiscal year. Project proposals must relate to a water conservation need, based on information in the State Water Plan as adopted by the Texas Water Development Board. A feasibility study must have been completed for the watershed in each project proposal. Project proposals will be prioritized for each funding cycle, giving priority to projects that balance the most critical water conservation need and the highest potential water yield. Agency staff will issue a request for proposals that includes an application and describes the process for entities to propose projects.

FEASIBILITY STUDY

Water Supply Enhancement Program funds will only be allocated for brush control cost-share to projects that have a completed feasibility study that includes a site-specific computer-modeled water yield component developed by a person with expertise as described in Texas Agriculture Code §203.053(b). For a watershed to be considered eligible for allocation of cost-share funds, the feasibility study must demonstrate significant increases in post-treatment water yield as compared to the pre-treatment conditions. Feasibility studies must, at a minimum, have examined:

- Watershed Delineation. The contributing drainage area that includes the target treatment area should be identified using the USGS Watershed Boundary Dataset, and confirmed with a digital elevation model.
- Topography. Ten-meter digital elevation models from the USGS National Elevation Dataset should be used.
- Hydrology. Appropriate data from the USGS National Hydrography Dataset and analysis of the digital elevation model should confirm the locations of surface waterbodies, including river channels, streams, impoundments, and reservoirs within the area of interest, and other hydrologically sensitive areas critical to streamflow and aquifer recharge.
- Soil Types and Distribution. The USDA Soil Survey Geographic database should be used to demonstrate the variations in soil type and other physical parameters that impact runoff and infiltration across the area of concern.
- Vegetation and Land Use. The National Land Cover Dataset 2006 provides different land cover classifications which should be analyzed. More recent land use classifications and vegetation surveys may be assembled. Ground-truthing is necessary to confirm vegetation types and locations.

Proposals for cost-share funds that are associated with a watershed that does not have a feasibility study will be considered as an application for agency funding to complete the required study. Applications for funding to complete a feasibility study will be referred to the Science Advisory Committee for review. In considering the project's anticipated impact on water yield and in ranking the applications for funding a feasibility study, the Science Advisory Committee will at least consider:

- Recommendations in the State Water Plan or a Regional Water Plan to conduct a feasibility study in the specific watershed.
- Published, peer-reviewed science that suggests the proposed project may yield water in Texas.

Once applications are considered, the Science Advisory Committee will direct applying entities to an appropriate modeler [per Texas Agriculture Code §203.057(a)] to conduct the feasibility study. If agency funds are allocated to complete a feasibility study, the Texas State Soil and Water Conservation Board may contract either with the entity who proposed the project, or directly with a qualified modeler chosen by both parties to conduct the feasibility study.

PROPOSAL EVALUATION CRITERIA AND RANKING

Funding for project proposals will be allocated through a competitive grant process that will rank applications based on projected water yield using evaluation criteria established by the Stakeholder Committee. Evaluation criteria include:

- Public water supplies expected to be benefited by the project
- Firm yield enhancement to municipal water supplies
- Water User Groups relying on the water supplies
- Percent of enhanced water supply used by Water User Groups
- Population of Water User Group

A Ranking Index (RI) will be calculated that gives a measure of the water yield increased per capita user for each proposal:

- RI = Reliance on source * (Yield Benefit ÷ Population)
  - Yield Benefit per Population
    - Larger ac-ft/yr/capita increases RI
  - Reliance of a Water User Group on a specific water supply
    - Larger reliance increases RI
    - Reliance on source = percent of water being supplied from a specific source
    - Higher priority is given to those populations who rely solely on the specified water supply.

GEOSPATIAL ANALYSIS FOR PRIORITIZING ACREAGE

In order to maximize the positive impacts of brush control on water supply enhancement and the effective and efficient use of allocated funds, a geospatial analysis will be performed to delineate the eligible acres that have the highest potential to yield water within the project watershed and thereby increase water supplies. Factors that will be assessed in the geospatial analysis include:

- Soils – relative to runoff potential or recharge
- Slope – sufficiently steep to carry runoff to streambed but not impair method of brush control
- Brush Density – fraction of the area with treatable brush
- Proximity to Waterbodies – riparian areas and other hydrologically sensitive areas critical to streamflow and aquifer recharge

The Science Advisory Committee will be consulted on the unique variables for each criterion for each watershed. The compiled geospatial analysis will result in three brush control priority zones for each watershed: high (green), medium (yellow), and low-to-none (red).

ALLOCATION OF FUNDING

Based on application ranking and the geospatial analysis, funds will be allocated to specific projects. An allocation is calculated based on the number of high ranking eligible acres (green zone in the geospatial analysis), the desired number of eligible acres the proposal identifies for treatment, the average cost of brush control per method for each eligible acre, and the amount of time required to treat the number of acres targeted in the proposal. Funds will be allocated to projects in highest ranking order. Proposals may be partially funded if the allocation is at least 25% of the original request on the application.

Allocated funds may only be obligated to landowners for brush control 1) in the designated subwatershed, and 2) only in the high priority zone (green) within that subwatershed as per the geospatial analysis. Allocated funds may not be obligated to landowners for brush control in 1) the medium (yellow) or low-to-none (red) zones within the designated subwatershed as per the geospatial analysis, or 2) other subwatersheds identified on the application or in the feasibility study.

In order to provide technical assistance to landowners for brush control and to administer the cost-share program, a soil and water conservation district may be allocated administrative funds up to 15% of the cost-share allocation.

At the recommendation of the Science Advisory Committee, funds may be allocated to complete a feasibility study for watersheds that do not have an acceptable study.

On a date set by the Executive Director, each project's progress at obligating allocated cost-share funds to landowners shall be assessed. This assessment will be used to determine if unobligated funds should be de-allocated from a project and re-allocated to another project in order to maximize expenditure of Water Supply Enhancement Program funds during the fiscal year. If less than 50% of the original allocation is not yet obligated, and project partners do not have a reasonable expectation of obligating the remaining allocated funds, then funds may be de-allocated. If funds are de-allocated, funds will be reallocated to 1) projects that received an original allocation which only partially funded the application, in order of original highest ranking, 2) projects that received an original allocation and have demonstrated progress at obligating cost-share funds and a need for additional cost-share funds, in order of original highest ranking, 3) conduct new feasibility studies, or 4) other projects that did not receive an original allocation in order of original highest ranking.