

GOVERNING BOARD POLICY
Southwest Florida Water Management District

Title: Facilitating Agricultural Resource Management Systems (FARMS) Program

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Approved By: Mark Taylor, Chair

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PURPOSE

This policy establishes procedures for implementing the Facilitating Agricultural Resource Management Systems (FARMS) Program and the requirements for obtaining funding assistance.

The FARMS Program is a public/private cost-share reimbursement program. The Program expedites water resource development and alternative water supply projects on agricultural properties by providing funding assistance to implement production-scale Best Management Practices (BMPs). The resource benefits anticipated include reduced Upper Floridan aquifer (UFA) withdrawals, water quality improvements in ground and surface water, conservation, restoration, and augmentation of the area's water resources and natural systems. The District's mission to protect water resources is reflected in the Program's five goals:

1. Improve surface water quality which has been impacted by groundwater withdrawals, with priority given to projects located in the Shell, Prairie, and Joshua Creek (SPJC) or Horse Creek watersheds;

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2. Conserve, restore or augment the water resources and natural systems in the Upper Myakka River Watershed (UMRW);
3. Reduce groundwater use in the Southern Water Use Caution Area (SWUCA);
4. Reduce groundwater use for Frost/Freeze Protection within the Dover/Plant City Water Use Caution Area (DPCWUCA);
5. Reduce Upper Floridan aquifer groundwater use and nutrient loading in the Northern District.

SCOPE

This policy applies to FARMS Program cost-share projects that are presented to the Governing Board for approval.

AUTHORITY

The FARMS Program is authorized by Section 373.705(3), Florida Statutes (F.S.), which states the District “shall fund and implement water resource development as defined in Section 373.019, F.S.”

Water resource development, in pertinent part, is “the formulation and implementation of regional water resource management strategies, including structural and nonstructural programs to protect and manage water resources, [and] the development of regional water resource implementation programs.” Section 373.019(24), F.S.

Additionally, the Governing Board is authorized to contract with private organizations and other entities pursuant to Section 373.083(1), F.S.

The FARMS Program is consistent with the District's Regional Water Supply Plan as approved by the Governing Board pursuant to Section 373.036(1), F.S. Furthermore, the FARMS Program is a key management action in a number of other Governing Board-approved documents including: 1) *Shell, Prairie, and Joshua Creek Watershed Management Plan - Reasonable Assurance Documentation*; 2) *Dover/Plant City Water Use Caution Area Recovery Strategy*; and 3) *Southern Water Use Caution Area Recovery Strategy*.

DEFINITIONS

(1) “Agriculture” means the science and art of production of plants and animals and includes aquaculture, horticulture, floriculture, viticulture, forestry, nurseries, dairy, livestock, poultry, bees, and any and all forms of farm products and farm production.

(2) “Best Management Practice” means a practice or combination of practices based on research, field-testing, and expert review, to be the most practicable on-location means, including economic and technological considerations, for improving water conservation and quality in agricultural discharges. BMPs for agricultural discharges shall reflect a balance between water resource improvements and agricultural productivity.

(3) “District” means the Southwest Florida Water Management District.

(4) “Eligible Costs” means the costs for equipment procured in accordance with the terms of the contractual agreement between the applicant and the District which are eligible for reimbursement.

(5) “Equipment” means the tangible items and components of a project including software and internet services for the first year of a project's operation.

(6) “Model Farms Costs” means those estimated costs developed to identify reasonable costs

associated with implementing various BMPs by a variety of agricultural operations as set forth in the Facilitating Agricultural Resource Management Systems (FARMS) Program Model Farms Economic Study – Final Report, March 2016.

(7) “Program” means the Facilitating Agricultural Resource Management Systems Program.

(8) “Project Area” means the land upon which the components of the BMPs are located and includes the land to be served by a project.

POLICY

The following guidelines apply to all FARMS projects.

FARMS PROJECT ELIGIBILITY CRITERIA

1. BMPs commonly implemented in eligible projects include, but are not limited to, internal surface water control, tailwater recovery, alternative source utilization, improved irrigation management decision support tools, frost-freeze protection alternatives, and precision nutrient application technology/management decision support tools. FARMS Program funding is available to agricultural operations that:
 - a. Are located within the jurisdictional boundaries of the District;
 - b. Are in compliance with all applicable federal, state, and local laws, rules, and regulations and all District-issued permits. A project shall not be eligible for funding if the project components are required by permit;
 - c. Have a District-issued water use permit;
 - d. Are consistent with the FARMS Program goals, as applicable, as listed above and further defined as follows:
 - i. Improve surface water quality which has been impacted by groundwater withdrawals, with priority given to projects located in the Shell, Prairie, Joshua, or Horse Creek watersheds. These projects must result in specific conductance water quality improvements for those agricultural operations currently using mineralized groundwater (defined as having a specific conductance in excess of 1000 uS/cm).
 - ii. Conserve, restore, or augment the water resources and natural systems in the UMRW. These projects must be located within the UMRW and propose improvements to natural systems and wetland functions with impacts from groundwater withdrawals.
 - iii. Reduce groundwater use in the SWUCA by implementing BMPs that result in a reduction in annual average daily UFA groundwater withdrawals within the District. No more than 5% of frost/freezing protection quantities authorized by a District Water Use Permit shall be used in calculating the amount of water no longer withdrawn from the UFA outside the DPCWUCA.
 - iv. Implement BMPs that result in a reduction in frost-freezing protection and/or annual average daily UFA groundwater withdrawals within the DPCWUCA.
 - v. Reduce Upper Floridan aquifer (UFA) groundwater use and nutrient loading in the District by implementing nutrient water quality

improvements. Proposed nutrient reduction BMPs must be supported by accepted research-based water quality improvement investigations associated with each BMP measure.

- e. Result in a quantifiable, measurable water resource benefit that will be determined cooperatively between the applicant and District.
 - f. Implement BMPs that have a cost-benefit that equals or is less than currently accepted Model Farms Costs. The Model Farms Costs are designed to identify reasonable costs associated with implementing BMPs by a typical agricultural operation.
 - g. Have had funding assistance deferred by the United States Department of Agriculture - Natural Resources Conservation Service (USDA-NRCS), Environmental Quality Incentives Program (EQIP) or similar program, if implementing irrigation system retrofits, conversions, or system upgrades. Only those water savings resulting from a decrease in inch-application rates for these types of projects will be used in the cost-benefit analysis. Irrigation retrofits will only be considered for the same crop type.
 - h. Applicant agrees to provide a minimum 25 percent funding contribution of total project costs for District funded FARMS projects. Thereby, a project that received or will receive funding assistance from other funding sources, including but not limited to the USDA-NRCS, EQIP or the Florida Department of Agriculture and Consumer Services (FDACS), must not exceed more than 75 percent of the total project cost reimbursed by all combined funding sources.
 - i. Utilize the Mobile Irrigation lab (MIL) services for FARMS projects that propose improved irrigation management decision support tools and for those projects proposing irrigation system retrofitting, conversions, or system upgrades. In the alternative, documentation must be provided to the District to demonstrate efficient irrigation water delivery in the existing system prior to the FARMS application being deemed complete. Although not required on all projects, participants are encouraged to receive an MIL evaluation prior to a FARMS application submittal in order to ascertain current operating conditions.
 - j. Enroll in the FDACS adopted agricultural BMPs program, through a Notice of Intent (NOI).
2. A project shall not be eligible for funding if the applicant previously received FARMS Program funds and construction of the funded project has not commenced.

COST SHARE FUNDING RATES

- 1. Program funding will be authorized by the Governing Board on a yearly basis, with no guarantee of funding availability. Consultant services, earthwork activities associated with drainage improvements or pond excavation, labor, other non-hardware costs, and other costs as determined by the District are not eligible for reimbursement; however, these costs may be used as an applicant's match in total project costs.

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2. Those projects that meet all required criteria and have been determined to provide the highest water resource benefits will be recommended for Board approval, on a first-come, first-served basis until funding is exhausted. When funding levels are such that projects must be prioritized, District staff will consider the following:
 - a. Whether the project is located within a Water Use Caution Area or other area that has been identified as a priority by the District.
 - b. The effectiveness of the project in terms of total reductions in groundwater withdrawals (including the UFA), water quality benefits as a result of reductions in groundwater withdrawals where the use of mineralized water or Springs Coast nutrient loads are being reduced, or improvements in natural system function in the UMRW.
 - c. Cost-benefit analysis.
3. The amount of funding to be provided for approved projects will be determined as follows:
 - d. Fifty percent (50%) maximum reimbursement of total project costs, not to exceed 100% of FARMS Eligible Costs when a project proposes:
 - i. Reducing groundwater withdrawals from the UFA;
 - ii. An existing irrigation system upgrade or retrofit that reduces groundwater withdrawals;
 - iii. An improvement to ground or surface water quality impacted by mineralized groundwater withdrawals from any aquifer system;
 - iv. An improvement to natural system functions in the UMRW;
 - v. A reduction in nutrient loading in ground and/or surface water;
 - vi. A reduction in UFA groundwater withdrawals over the project area through the use of reclaimed water;
 - vii. Reducing withdrawals from any combination of ground, surface, or reclaimed water resources.
 - e. Seventy five percent (75%) maximum reimbursement of total project costs, not to exceed 100% of FARMS Eligible Costs when a project proposes:
 - i. A reduction in groundwater withdrawals from the UFA and the improvement of water quality in surface water impacted by mineralized ground water;
 - ii. A reduction in groundwater withdrawals and the improvement of natural systems in the UMRW;
 - iii. A reduction in UFA frost/freeze protection withdrawals authorized by a District Water Use Permit from the UFA within the DPCWUCA;
 - iv. A reduction in groundwater withdrawals from the UFA and a reduction in nutrient loading.

APPLICATION PROCEDURE

1. The District will provide a FARMS Funding Application to all interested persons and entities within the District.

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2. As a part of the application process, the District Project Manager and other appropriate representatives will conduct a site visit to discuss project feasibility with the applicant.
3. Applicants will submit a complete FARMS Funding Application signed by the property owner or authorized agent to the FARMS Program Manager. Applications for leased property shall be a joint application signed by the lessee and property owner (or authorized agents). If there are multiple owners, all owners (or authorized agents) shall sign the application or sign an affidavit indicating that they join in the application. In the case of a lessee applicant, a copy of a signed and executed lease agreement between the lessee and the property owner shall be submitted with the application that shows a lease term longer than the combined construction and operational time frames expected under the FARMS "Cooperative Funding Agreement".
4. Applications will be accepted any time during the fiscal year; however, funding is limited and complete applications for projects will be recommended only as long as funding is available and is subject pursuant to "Cost Share Funding and Rates", conditions above.
5. The assigned District Project Manager will evaluate each application and recommendations may be provided to an applicant to enhance a project's effectiveness. Applications which cannot be directly implemented by the applicant generating the request or their agent, or proposals which do not significantly, or cost effectively benefit water resource goals (as defined above) will not be approved.
6. The final decision regarding the funding of specific FARMS projects is the exclusive authority of the Governing Board. All requests for FARMS cost-share funding will be reviewed by the Governing Board.
7. Following Governing Board approval, applicants will be required to sign a cooperative funding agreement with the District, approved by the District's Office of General Counsel, which sets forth, at a minimum, the scope of work, contract duration, performance measures, Water Use Permit implications, operational and maintenance responsibilities, indemnification, and funding amount. The cooperative funding agreement will be executed by all property owners and, if applicable, all lessees.

CONTRACTUAL REQUIREMENTS

1. A current template of the FARMS "Cooperative Funding Agreement" will be provided to the applicant during the application process.
2. All approved applicants will be required to enter into a FARMS "Cooperative Funding Agreement" with the District. A draft of the project specific FARMS "Cooperative Funding Agreement" will be provided to the applicant at such time as the application is deemed complete for approval.
3. The FARMS Program applicant will be required to modify their Water Use Permit to reflect the project as provided for in the contract.
4. The applicant is required to fulfill the obligations under the terms and conditions agreed to in an executed "Cooperative Funding Agreement" between the District and applicant.

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EXCEPTIONS TO PROCEDURE

Exceptions to this procedure may be reviewed by the Executive Director and presented to the Governing Board for approval on a project specific basis. The Governing Board has sole authority to approve an exception to this procedure.

DISTRIBUTION

This Policy will be stored in the Governing Board Policy Repository.

REFERENCES

FARMS Program Funding Application – District Form LEG-R.022.02 (8/10)

Cooperative Funding Agreement Template

Model Farms Economic Study – Final Report, March 2016

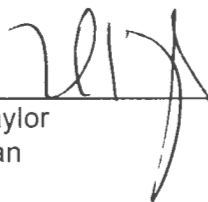
REVIEW PERIOD

This policy will be reviewed every two (2) years by the Executive Director or designee and updated for Governing Board approval if needed to implement policy revisions. The Policy will be reviewed by the Governing Board every six (6) years.

DOCUMENT DETAILS

Document Name	Facilitating Agricultural Resource Management Systems (FARMS) Program
Formerly Known As	Chapter 40D-26 Facilitating Agricultural Resource Management Systems Program
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APPROVAL



Mark Taylor
Chairman

2/25/20
Date