

**CONSENT AGENDA**

**September 26, 2023**

**Resource Management Committee: FARMS – Spanish Trails Farming & Land Company, LLC - Phase 3 (H819), DeSoto County**

*Purpose*

To request approval for a Facilitating Agricultural Resource Management Systems (FARMS) project with Spanish Trails Farming and Land Company, LLC, and approval to reimburse FARMS eligible costs up to a not-to-exceed limit of \$542,000 (72 percent of total project costs). The District funding is requested from the Governing Board FARMS Fund. Total project costs are estimated at \$748,000.

*Project Proposal*

The District received a project proposal from Spanish Trails Farming and Land Company, LLC for their 5,504-acre sod and cattle operation located 12 miles south of Arcadia, in southern DeSoto County, within the Shell, Prairie, and Joshua Creek watersheds (SPJC), and within the Southern Water Use Caution Area (SWUCA). This project will involve the modification of an existing nine-acre surface water reservoir to collect tailwater and surface water from the property and surrounding watershed to offset Upper Floridan aquifer groundwater used for supplemental irrigation of 200 acres of sod. The project area is permitted to use an annual daily quantity for supplemental irrigation of 530,600 gallons per a day (gpd). The Water Use Permit (WUP) for the entire property authorizes the use of 2,533,500 gallons per day (gpd) to irrigate 955 acres of sod. FARMS project components consist of a linear overhead irrigation system with a mobile automated surface water pump station, fertigation system, and tailwater culverts.

In May 2022, the Governing Board approved a Phase 1 FARMS project with Spanish Trails Farming and Land Company, LLC to construct a four-acre reservoir to irrigate 300 acres of sod. FARMS project components include a surface water pump station, filtration, valves, culverts and the piping necessary to connect the reservoir to that portion of the property's existing irrigation system. The estimated offset is 140,000 gpd. Construction was completed on this phase in May 2023 and will begin to be used in the fall.

In January 2023, the Governing Board approved a Phase 2 FARMS project with Spanish Trails Farming and Land Company, LLC to construct an additional four-acre reservoir to irrigate 450 acres of sod. FARMS project components include a surface water pump station, with filtration, valves, culverts and piping necessary to connect the reservoir to that portion of property's existing irrigation system. The estimated offset for the phase 2 project is an additional 140,000 gpd. Construction was completed on this phase in June 2023 and will begin to be used in the fall.

*Benefits/Costs*

The proposed project involves water quantity and water quality best management practices (BMPs) for supplemental irrigation and qualifies for a 75 percent cost-share reimbursement rate under the FARMS Program. The project is expected to reduce groundwater use by approximately six percent or 140,000 gpd for daily irrigation and reduce nitrogen by 365 pounds per year. Based on the estimated groundwater offset, the estimated nutrient reduction benefit, and a proposed five-year contract term, the cost per thousand gallons of water saved is \$3.19, and the cost per pound of nitrogen reduced is \$8.88. These values are within the guidelines for the generally accepted average cost savings per thousand gallons for

the implementation of alternative supplies, improved irrigation techniques, and nutrient reduction BMPs for sod operations. Reimbursement will be from the Governing Board FARMS Fund. Upon approval of the projects presented at this meeting, the Governing Board will have \$2,153,742 remaining in its FARMS Program budget.

Staff Recommendation:

1. Approve the Spanish Trails Farming and Land Company, LLC - Phase 3 project for a not-to-exceed project reimbursement of \$542,000 with \$542,000 provided by the Governing Board.
2. Authorize the transfer of \$542,000 from fund 010 H017 Governing Board FARMS Fund to the H819 Spanish Trails Farming and Land Company, LLC – Phase 3 project fund.
3. Authorize the Assistant Executive Director to sign the agreement.

Presenter:

Jay Hoecker, PMP, Bureau Chief, Water Resources

# Location Map

## FARM Project - H819

### Spanish Trails Phase 3

