INSTRUCTIONS AND GUIDANCE DOCUMENT FOR THE COASTAL EROSION PLANNING & RESPONSE ACT (CEPRA) COASTAL RESOURCES FUNDING APPLICATION CYCLE 11

INTRODUCTION

The purpose of the Coastal Erosion Planning and Response Act (CEPRA) program is to implement coastal erosion response projects and preferred erosion response solutions, demonstration projects, and related studies to reduce the effects of and understand the processes associated with coastal erosion as it continues to threaten public beaches, coastal natural resource areas, coastal development, public infrastructure, and public and private property. Under CEPRA, the General Land Office (GLO) expends funds to support these projects. The GLO implements projects and studies through collaboration and cost sharing partnerships with federal, state, and local governments, non-profit organizations, other entities and individuals.

CEPRA funds are appropriated by the Legislature on a two-year cycle that coincides with the Texas Legislative biennium. The funds are awarded through a competitive application process in which all applications are evaluated by the GLO's CEPRA team. Selected projects are approved by the Land Commissioner. Projects selected for funding must comply with administrative and budgetary requirements set forth in the CEPRA rules.

This document is for use by potential project partners seeking CEPRA monies for the upcoming funding biennium. It provides an overview of the program, funding requirements, general instructions for completing the application and guidance on how the application will be evaluated.

For information regarding CEPRA's authorizing statute and agency rules, see Appendix A.

ELIGIBILITY AND PARTNERSHIP ESTABLISHMENT

Any individuals or entities are eligible potential project partners. The following are examples of entities eligible for CEPRA funds:

- Political subdivisions of the state, including incorporated cities, county governments, navigation districts, port authorities, river authorities, soil and water conservation districts, councils of government, and other regional governmental entities
- Texas state agencies
- Federal agencies
- Institutions of higher education
- Homeowner's associations
- Any public or private entity that enters into an agreement with the GLO to finance, study, design, install or maintain an erosion response project

After the GLO receives an application from a potential project partner, the GLO will determine if the project qualifies for funding consideration. The GLO will notify the potential project partner of their application status and whether their project has been designated as a priority or alternate project. If the project is designated as a priority project, the GLO will invite the potential project partner to enter into a CEPRA Project Cooperation Agreement (CPCA) with the GLO to further develop the project. The CPCA will delineate the duties of each project participant. The GLO has the sole discretion to determine which party will serve as the lead project partner to manage the project. In most instances, the GLO will serve as the lead partner but occasionally the potential project partner may serve as the project lead. Upon execution of the CPCA, the potential project partner will become a qualified project partner.

FUNDING AND AWARD PERIOD

CEPRA funds, if appropriated, are on a two-year cycle that coincides with the Texas Legislative biennium. The upcoming cycle is Cycle 11, matching the state FY 2020 – 2021 biennium beginning September 1, 2019 through August 31, 2021. At present, there is no dedicated funding source for the CEPRA program so the GLO relies on the Texas Legislature to appropriate funding for projects each biennium through the GLO's general operating budget.

Funding appropriated within the biennium must be encumbered and spent on projects within the biennium unless funding for a project is given "carryover" authority by the Legislature. Historically, this authority has been given to projects leading to or involving construction that are not anticipated to be completed within that biennium.

There are no formal funding caps imposed on projects but there are criteria that limit types of projects and the geographic distribution of projects. Additional considerations include:

- General requirements and priority criteria for erosion response projects and studies under Texas Natural Resources Code (TNRC), §33.602(b);
- Limitations imposed under TNRC, §33.603(f) relating to the number of projects that may be funded without requiring a project partner cost-share; and
- Considerations laid out under TNRC, §33.605(b) relating to the use of the Coastal Erosion Response Account.

FUNDING CATEGORIES

Pursuant to TNRC, §33.603(b), erosion response projects and studies for which CEPRA funding consideration is sought shall address:

- beach nourishment and associated enhancements on both Gulf-facing and bay shorelines
- shoreline stabilization
- habitat restoration and protection
- dune restoration

- beneficial uses of dredged material for beach nourishment or habitat restoration
- coastal erosion related studies and investigations
- demonstration projects
- relocation of structures from the public beach
- storm damage mitigation, post-storm damage assessments, and debris removal
- acquisition of real property necessary to facilitate the construction, repair, maintenance, or expansion of an erosion response project

For additional information addressing requirements for CEPRA projects, see Appendix A and B.

COST SHARING

In most instances, CEPRA requires the qualified project partner to provide match funding for the shared project cost. If required, the qualified project partner must satisfy a specified minimum percentage of the shared project cost which is dependent on the project type. The timing for providing match funding to the GLO varies and is delineated in the CPCA.

If the GLO is the lead project partner, the GLO is responsible for executing all project steps and expending funds on behalf of the qualified project partner, with the qualified project partner supplying the match to the GLO, if required. If the qualified project partner manages the project, the qualified project partner is responsible for executing all project steps and expending their own funds. In this case, a qualified project partner will request reimbursement from the GLO for the GLO's cost share of the project.

Funds from a source other than CEPRA expended by a qualified project partner in conformance with the CPCA can be used to offset the qualified project partner's cost sharing requirement or leverage CEPRA funds. At the sole discretion of the GLO, a qualified project partner may utilize in-kind contributions toward the cost sharing requirement, subject to the qualified project partner providing the GLO with a reasonable basis for estimating the monetary value of any goods and services proposed as an in-kind contribution toward the project.

If a qualified project partner is proposing a Tier 1 project from the Texas Coastal Resiliency Master Plan (Master Plan), the qualified project partner will only be responsible for the engineering and design cost share. The remainder of the project's construction cost may be supplemented using Gulf of Mexico Energy Security Act (GOMESA) funds allocated to the state. GOMESA funds may be used to pay for all construction costs associated with CEPRA eligible projects. This includes both Tier 1 and non-Master Plan projects. **GOMESA funds do not require a match.** The GLO will award a maximum of 65% of the GOMESA funds to CEPRA projects. GOMESA funds will be awarded at the GLO's sole discretion with geographic distribution of funding taken into consideration each biennium. Projects must comply with GOMESA authorized uses. The list of GOMESA authorized uses can be found in Appendix C. The Land Commissioner is not obligated to award all available GOMESA funds.

No costs incurred by a potential project partner prior to becoming a qualified project partner are eligible for match consideration.

The broad categories of required match percentages are as follows:

Project Type	Minimum Partner Match Required
Beach nourishment and associated	Not less than 25%
enhancement project on a public beach or	
bay shore.	
Any other coastal erosion response study or	Not less than 40%
project, including a marsh restoration	
project or a bay shoreline protection project	
other than a beach nourishment and	
associated enhancement project.	
Each biennium, the Land Commissioner	None
may undertake at least one erosion response	
project without requiring a match. This has	
limitations per TNRC, §33.603(f) & 31	
TAC §15.42(e): the total of these may not	
exceed one-half of the amount appropriated	
to the GLO for coastal erosion planning and	
response.	
Other projects per TNRC, §33.603(h).	The Land Commissioner determines the
	percentage.
Demonstration projects. This has limitations	The Land Commissioner determines the
per TNRC, §33.603(g) & 31 TAC	percentage.
§15.42(d): the total of these may not exceed	
one-tenth of the appropriated amount to the	
GLO for coastal erosion planning and	
response.	
Tier 1 Master Plan Project	None

***All committed funding sources must provide a signed funding commitment letter or other documentation on the funding organization's letterhead substantiating the commitment of funding and/or in-kind sources. Proof of funding must accompany the Coastal Resources Funding Application. This documentation should indicate: each approved funding amount; funding availability date; funding expiration date; and other constraints, if applicable.

INDIRECT COST LIMITATIONS

The Land Commissioner will limit indirect costs charged to a CEPRA project to a maximum of 15% of Modified Total Direct Costs (MTDC) as an allowable cost for reimbursement and/or inkind match, provided that Project Participant(s) have a current indirect cost rate negotiated with a

contracting federal agency. This maximum 15% indirect cost rate must be applied to MTDC as negotiated in the Project Participant's indirect cost rate agreement. Project Participant's subcontractors must also comply with the maximum 15% indirect cost rate limitations. Project Participant(s) may not charge "other operating costs" (i.e., administrative costs, equipment usage fees, computer usage fee, etc.) in addition to indirect costs, if such costs are already included in the calculation to determine Project Participant's indirect cost rate.

A copy of the Negotiated Indirect Cost Rate Agreement (NICRA) must be submitted with the application.

FRINGE BENEFIT COST LIMITATIONS

The Land Commissioner will limit fringe benefit costs to Project Participant's published rate not to exceed 35% of salaries and/or wages.

PROJECT LOCATION

Any CEPRA actions must occur within the coastal zone boundary (CZB). The CZB was established by the Texas Legislature in 1995. A map of the CZB is included in Appendix D.

Beach nourishment and associated enhancement projects may only be considered along a gulf-facing shoreline experiencing an erosion rate greater than two feet per year. Coastal erosion rates are published by the University of Texas Bureau of Economic Geology and can be found at https://coastal.beg.utexas.edu/shorelinechange2012. When determining the erosion rate, select the 1950 – present time frame. A description of when erosion is presumed can be found in Appendix E.

Additionally:

- 1) If the site to be studied or location of construction is within the jurisdiction of a local government subject to the Open Beaches Act (OBA) and Dune Protection Act (DPA), the local government must be adequately administering the OBA, the DPA and have submitted a local Erosion Response Plan (ERP) in accordance with TNRC, §33.607(e) and 31 TAC §15.17;
- 2) All projects must protect the common law rights of the public in public beaches as affirmed by the Open Beaches Act (Natural Resource Code, Chapter 61);
- 3) All projects must declare whether they would be located within a coastal area subject to a FEMA Hazard Mitigation Plan and would therefore be eligible for FEMA Public Assistance and Hazard Mitigation Grant Program funding consideration; and
- 4) Any erosion response project conducted on state-owned submerged land will require a special document or surface lease.

DATA STANDARDS

Data, databases and products associated with electronic Geographic Information Systems (GIS) that have been collected, manipulated, or purchased with CEPRA funds and/or local match funds will be subject to all applicable terms of the 1 TAC §205.10, relating to State Agency Geographic Information Standards

(texreg.sos.state.tx.us/public/readtac\sub.ListRegister?p reg id=288527).

Any electronic spatial data collected, manipulated, or purchased with CEPRA funds and/or local match funds shall be transferred in a mutually-acceptable GIS format, along with appropriate documentation. Non-spatial data deliverables (textual, spreadsheet, database, etc.) must be delivered in standard text, image, or database formats, and on mutually acceptable delivery media.

All potential and qualified project partners are expected to comply with these guidelines. A potential or qualified project partner who is unable to comply with these guidelines must provide a written justification detailing why an exception is warranted.

PERMITTING

Potential project partners must be aware of all federal, state, and local permits and leases that may be required to facilitate the proposed project prior to the submission of the application. If permits and/or environmental clearances have already been acquired, potential project partners should indicate each permit/ lease type, number (if applicable) and expiration date. If a potential project partner has a permitting and/or lease acquisition action underway, please indicate each permit/lease type, number (if applicable) and anticipated date of acquisition.

The GLO's Permit Service Center is available to assist potential project partners with the permitting process. Early coordination is encouraged. Contact information for Permit Service Center staff is provided under "Contact Information".

APPLICATION PROCESS

All potential project partners seeking funding consideration from the CEPRA program must submit the Coastal Resources Funding Application no later than July 1, 2019. All application documents must be submitted electronically via email.

Instructions for accessing the Coastal Resources Funding Application:

- 1. Download the Coastal Resources Funding Application from the GLO web site at: http://www.glo.texas.gov/coast/grant-projects/funding/index.html. The latest version of Adobe Acrobat Reader must be loaded on the computer to open and work within the application.
- 2. Save the application to the computer. The application can be revised as needed before submittal.
- 3. All supporting documentation such as photographs, maps and letters of support, permits, drawings, or other items must be submitted electronically with the application and consolidated into one PDF document, if possible.

4. Once the application is complete and all supporting documentation is compiled, email all documentation to coastalprojects@glo.texas.gov. Incomplete applications will not be reviewed by the GLO or considered for funding.

Potential project partners should fill out each field as accurately as possible to ensure accurate evaluation of the proposed project.

Email completed application and supporting documentation to: coastalprojects@glo.texas.gov

The deadline for application submission is 5 p.m. on Monday, July 1, 2019.

The GLO may, at its discretion, accept an application that will address an emergency after this deadline. In such cases, partners should describe the area that is immediately threatened or impacted by erosion and whether the emergency erosion project will address or resolve the identified erosion problem.

STRUCTURE RELOCATION/DEMOLITION

Qualified project partners seeking expense reimbursement funds for a structure relocation or demolition project should use the Structure Relocation/ Demolition Expense Reimbursement Application. These project applications must go through the same submission process as a standard CEPRA project application. The application for this type of project is posted below the Coastal Resources Funding Application form on the CEPRA web page at:

http://www.glo.texas.gov/coast/grant-projects/funding/index.html

The guidance document for a structure relocation is titled "CEPRA Structure Application Guidance" and the application is titled "CEPRA Structure Relocation/Demolition Expense Reimbursement Application Form".

EVALUATION AND SELECTION PROCESS

All CEPRA applications are evaluated and scored in accordance with Texas Administrative Code (TAC) Title 31, Part 1, Chapter 15, Subchapter B, §15.41. The general requirements and priority criteria used by the GLO to evaluate applications are listed in Appendix F and G.

All applications are subject to evaluation using the general requirements to establish a relative rank for the proposed project. After a relative rank is established, the GLO will then evaluate the applications using priority criteria to rank the projects against the State's erosion response priorities. All qualifying applications are then compiled into a master list. As funding becomes available, the master list will be reviewed, and project applications will be categorized as either a priority project or an alternate project. The categorization is based on the relative ranking of the project against the State's erosion response priorities. Projects categorized as priority projects will

immediately receive funding. Projects identified as alternate projects remain unfunded but could be funded if additional money becomes available during the biennium from co-sponsors or through budget reallocations. The Land Commissioner approves the final selection of priority projects. Once the determinations are finalized, applicants are notified of the categorization of their project.

In addition to meeting TNRC §33.603(b) project requirements, this biennium, additional prioritization will be given to applications proposing to implement a Tier 1 project from the Master Plan. Applications can be proposed to implement a preferred erosion response solution phase of a Tier 1 project (e.g. design, permitting, data collection) necessary to advance the project to construction or can propose completing the construction phase of the Tier 1 project. These applications should have support from local, state or federal governments. GOMESA funds will only be used to supplement large-scale construction projects listed in the Master Plan. See "Cost Sharing" for details.

CYCLE 11 SCHEDULE

<u>2019</u>

February Invitations to workshops sent to potential attendees

Announce Cycle 11 and workshop dates on the GLO Web page

March Workshops held in Port Isabel, Beaumont, Port Lavaca, Corpus Christi, and

Galveston

April Post guidance and application to the GLO webpage

July 1 Applications are due (Mandatory for all solicited projects)

Jul/Aug CEPRA staff review applications and meet with project partners, if necessary

Sep/Oct Notification letters sent to applicants

Nov CPCA drafting begins

2021

August Non-construction studies and demonstration projects must be completed

CEPRA OUTREACH WORKSHOPS

The GLO will host informational workshops for parties interested in applying for Cycle 11 CEPRA funds. These workshops will provide an opportunity to learn about the CEPRA program and discuss specific project ideas with GLO staff.

For Cycle 11, workshops will be held in the following locations:

Port Lavaca

March 19, 2019 8:00AM – 12:00PM Bauer Community Center 2300 Texas-35 Port Lavaca, TX 77979

Corpus Christi

March 20, 2019 8:00AM – 12:00PM Harte Research Institute for Gulf of Mexico Studies 6300 Ocean Drive Corpus Christi, TX 78412

Port Isabel

March 21, 2019 8:00AM – 12:00PM Port Isabel Events and Cultural Center 309 Railroad Ave. Port Isabel, TX 78578

Galveston

March 26, 2019 9:00AM – 1:00PM Rosenberg Library 2310 Sealy St. Galveston, TX 77550

Beaumont

March 28, 2019 8:00AM – 12:00PM Central Park Community Center 2925 Fannin Street Beaumont, TX 77701

CEPRA CONTACT INFORMATION

General Land Office P. O. Box 12873 Austin, Texas 78711-2873

1700 North Congress Avenue, Room 330 Austin, Texas 78701

For general CEPRA eligibility and application submission questions:

Kevin Frenzel

CEPRA Program Manager 512-463-2482 Kevin.frenzel@glo.texas.gov

Thomas Durnin

CEPRA Project Management 512-463-1192 Thomas.Durnin@glo.texas.gov

Kelly Brooks

CEPRA Project Management 512-463-2198 Kelly.Brooks@glo.texas.gov

For permitting assistance:

Allison Buchtien

Permit Service Center – Upper Coast
Texas A&M University Galveston Campus
1001 Texas Clipper Road, Building 3026 (Sea Aggie Center), Room 912
Galveston, TX 77553
409-741-4057 (or toll free at 866-894-7664)
Allison.Buchtien@glo.texas.gov
permitting.assistance@glo.texas.gov

Jesse Solis

Permit Service Center – Lower Coast 602 N. Staples Street, Suite 240 Corpus Christi, TX 78401 361-886-1630 Jesse.Solis@glo.texas.gov permitting.assistance@glo.texas.gov

APPENDIX A: CEPRA PROGRAM REFERENCES

1) Statutory authorization for the CEPRA program is Texas Natural Resources Code (TNRC), Title 2, Subtitle C, Chapter 33, Subchapter H, Coastal Erosion, §§33.601 - 33.613. Specifically, §33.602, relates to coastal erosion duties and authority. The short reference is TNRC §33.602.

https://statutes.capitol.texas.gov/Docs/NR/htm/NR.33.htm#33.603

2) The GLO's agency rules that govern the GLO's administration of the CEPRA program are found under Texas Administrative Code (TAC), Title 31, Part 1, Chapter 15, Subchapter B, Coastal Erosion Planning and Response §§15.41 -15.44. The short reference is 31 TAC Ch. 15.

http://texreg.sos.state.tx.us/public/readtac\$ext.ViewTAC?tac_view=5&ti=31&pt=1&ch=15&sch=B&rl=Y

3) Eligible CEPRA projects must be located within the coastal zone boundary. The coastal zone is set out under Texas Administrative Code (TAC) Title 31, Part 16, Chapter 503, Coastal Management Program Boundary, §503.1. The short reference is 31 TAC §503.1.

https://texreg.sos.state.tx.us/public/readtac\$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_ploc=&p_ploc=&p_sti=31&pt=16&ch=503&rl=1

Other relevant rules relating to the Management of the Beach/Dune System, are set out under 31 TAC Ch. 15, Subchapter A, include:

Section 15.6, relating to Concurrent Dune Protection and Beachfront Construction Standards

Section 15.7, relating to Local Government Management of the Public Beach

Section 15.17, relating to Local Government Erosion Response Plans

APPENDIX B: CEPRA CONCERNS TO ADDRESS

Texas Natural Resources Code §33.603(b), requires projects to address:

- (1) assessment of the feasibility, cost, and financing of different methods of avoiding, slowing, or remedying coastal erosion;
- (2) beneficial placement of dredged material where appropriate to replenish eroded public beach, bay shore, marsh, and dune areas;
- (3) public beach, bay shore, and marsh nourishment or restoration projects using sediments other than material from navigational or other dredging projects;
- (4) guidelines on grain size and toxicity level;
- (5) the economic, natural resource, and other benefits of coastal erosion projects;
- (6) the protection, revegetation, and restoration of dunes;
- (7) the planting of vegetation as a means of inhibiting bay shore erosion and projects developing and cultivating disease-resistant vegetation adapted to local conditions;
- (8) the construction or retrofitting of dams, jetties, groins, and other impoundment structures, provided that the structures include sediment bypassing systems;
- (9) estimating the quantity and quality of sediment trapped by reservoirs, navigation channels, and placement areas and identification of other sediment sources;
- (10) the use of hard or soft structures on bay shorelines as a method of avoiding, slowing, or remedying erosion;
- (11) storm damage mitigation, post-storm damage assessment, and debris removal;
- (12) removal and relocation of structures from public beaches, including the purchase of property located on a public beach;
- (13) the acquisition of property necessary for the construction, reconstruction, maintenance, widening, or extension of an erosion response project under this subchapter;
- (14) structural shoreline protection projects that use innovative technologies designed or engineered to minimize beach scour; and
- (15) other studies or projects the commissioner considers necessary or appropriate to implement this chapter.

APPENDIX C: GOMESA AUTHORIZED USES

GOMESA funding is authorized for the following uses:

- Projects and activities for coastal protection, including conservation, coastal restoration, hurricane protection and infrastructure directly affected by coastal wetland losses;
- Mitigation of damage to fish, wildlife or natural resources;
- Implementation of a federally-approved marine, coastal or comprehensive conservation management plan;
- Mitigation of the impact of Offshore Continental Shelf (OCS) activities through the funding of onshore infrastructure projects; and
- Planning assistance and administrative costs, not to exceed 3 percent of the amounts received.

APPENDIX D: MAPS

Following are maps delineating the Coastal Zone; the coast-wide map followed by regional detailed maps.		

APPENDIX E: EROSION PRESUMPTIONS

Proposed new 31 TAC §15.41(a)(1) adds a presumption of erosion if:

- (A) a portion of the Gulf of Mexico (gulf) shoreline is experiencing a historical erosion rate of greater than two feet per year based on the published data of the University of Texas at Austin Bureau of Economic Geology;
- (B) a portion of the bay area is experiencing documented erosion;
- (C) a portion of the gulf shoreline or bay area has been the subject of an erosion response project and it has been determined that maintenance is required; or
- (D) a portion of the gulf shoreline or bay area has been impacted by a storm event and remediation is required to reestablish the preexisting conditions of the site.

APPENDIX F: GENERAL REQUIREMENTS FOR APPLICATION EVALUATION

The GLO will conduct an evaluation of applications using the following general requirements to begin scoring the proposed projects:

- 1. The feasibility and cost-effectiveness of the proposed project;
- 2. The economic impacts of erosion in the area of the proposed project;
- 3. The effect of the proposed project on public property, public infrastructure, private property, or natural resources threatened by erosion;
- 4. The effect of the proposed project on Coastal Natural Resource Areas threatened by erosion;
- 5. If the proposed project is to be located within the jurisdiction of a local government that administers a beach/dune program, whether the local government is adequately administering its duties under the Open Beaches Act (Texas Natural Resources Code, Chapter 61) and the Dune Protection Act (Texas Natural Resources Code, Chapter 63);
- 6. If the proposed project is to be located within the jurisdiction of a local government that administers a beach/dune program, whether the local government has submitted to and received approval from the GLO of a local erosion response plan for reducing public expenditures due to erosion and storm damage losses established under Texas Natural Resources Code §33.607, pursuant to Texas Administrative Code §15.17(d)(4);
- 7. Whether the proposed project will provide for beneficial use of beach-quality sand dredged in constructing and maintaining of navigation inlets and channels of the state;
- 8. Whether the potential partner has leveraged other sources of funding and already made or received a binding commitment to fund all or a portion of a given proposed project type, and a description of potential co-sponsors and associated funding;
- 9. If the proposed project is on a Gulf-facing beach, whether the erosion rate is greater than two feet a year, using data from the Bureau of Economic Geology's most recent data set. Currently, that is the period 1950 2012 https://coastal.beg.utexas.edu/shorelinechange2012/; and
- 10. If a proposed project involves construction or retrofitting of dams, jetties, groins or other structural impoundments, whether such structures will be designed with a sediment bypass system. If a proposed project involves structural shoreline protection on or landward of a public beach, whether the proposed project uses innovative technologies designed to minimize beach scour in accordance with Texas Natural Resources Code §33.603(b)(14).

APPENDIX G: PRIORITY CRITERIA FOR APPLICATION EVALUATION

Following the general requirements evaluation, the GLO will conduct an evaluation of the application using the following priority criteria:

- 1. The relative severity of erosion in each area;
- 2. Whether the project will enhance community resiliency;
- 3. The needs in other critical coastal erosion areas;
- 4. Whether the proposed project will maximize leveraging of federal and local financial participation;
- 5. Whether financial participation by private beneficiaries of the proposed project is maximized;
- 6. Whether the proposed project achieves efficiencies and economies of scale;
- 7. Whether funding the proposed project will contribute to balance in the geographic distribution of benefits for coastal erosion response projects in Texas that are proposed or have received funding from the coastal erosion response account;
- 8. The economic benefits to the state relative to the state cost of the proposed project;
- 9. The relationship of the proposed project cost to the funds available in the Coastal Erosion Response Account; and
- 10. Whether the proposed project will address an emergency erosion situation in the area.