#### THE FLORIDA LEGISLATURE

# OPPAGA



OFFICE OF PROGRAM POLICY ANALYSIS & GOVERNMENT ACCOUNTABILITY

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# The Beach Management Funding Assistance Program Was Recently Improved, but Some Stakeholder Concerns Persist

#### at a glance

To protect the state's beaches and reduce the impact of erosion, the Legislature provides funding for local government beach and inlet management projects through the Department of Environmental Protection's Beach Management Funding Assistance Program. Program officials have made recent changes to improve consistency and transparency, including a revised program rule that became effective in August 2013. However, stakeholders expressed concerns regarding the eligibility and ranking criteria that the program uses to select and prioritize projects.

Analysis of the points awarded for Fiscal Year 2014-15 projects shows that a small number of factors account for a majority of project points. Our analysis determined that five beach and inlet management project criteria accounted for 55% and 69% of the total points awarded, respectively. Our survey asked respondents to identify the most important criteria. The criteria that received the highest scores, and the ones that respondents wanted to revise, included severity of erosion, threat to upland structures, recreational and economic benefits, and administrative local sponsor financial and commitment.

To address the prioritization of projects, the Legislature could consider separate project lists for federal-state funded projects and state-local funded projects. To increase focus on the value of projects, the Legislature could consider directing DEP to revise how it considers various administrative criteria. The Legislature could also consider options to simplify the application process as well as alternatives to account for storm damage occurring after applications have been submitted.

### Scope -

As directed by the Legislature, OPPAGA examined the Department of Environmental Protection's process for selecting and prioritizing local beach erosion control and inlet management projects. The review considered the

- current statutory criteria and related administrative rules;
- funding request application process, information requirements, and timeline; and
- department's use of each ranking criteria in establishing the annual priority order for beach management and restoration projects.

### Background-

According to the Department of Environmental Protection (DEP), Florida has 825 miles of sandy shoreline that represent one of the state's most valuable natural resources. However, this resource is subject to erosion from waves, storms, and the effects of beach construction and navigation inlets. Thus, beach management is vital to protect upland property, public infrastructure, tourist revenue, recreational interests, and habitat for endangered species.

State efforts to maintain and restore Florida's beaches began in 1986, and DEP has a strategic beach management plan for the restoration and maintenance of areas it has designated as critically eroded.<sup>1</sup> The state provides funding for

<sup>1</sup> Section 161.161, *F.S.*, requires DEP to "develop and maintain a comprehensive long-term management plan for the restoration and maintenance of the state's critically eroded beaches fronting the Atlantic Ocean, Gulf of Mexico, and Straits of Florida."

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nourishment and ongoing renourishment of beaches and inlet management, with a focus on long-term maintenance of the state's beaches.<sup>2</sup> DEP's Beach Management Funding Assistance Program administers this funding.

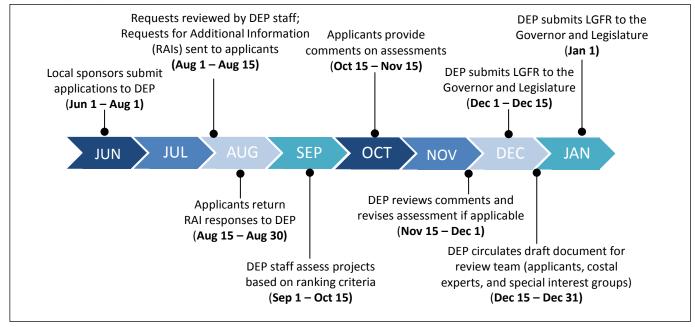
Beach and inlet management projects follow four phases – feasibility, design, construction, and post-construction monitoring. Many current projects involve ongoing renourishment rather than new projects. In 2014, DEP reports that there are 407.3 miles of critically eroded beaches, of which 226.7 miles are managed and maintained. There are a number of reasons that beaches are not being restored, including lack of local funding and ineligibility for funding in areas that do not provide public access.

DEP's annual process for identifying beach and inlet projects to receive state funding spans from June to January. In a typical year, the process for local governments to apply for state

funding assistance for beach or inlet projects begins in June and ends the following January. (See Exhibit 1.) Applications for all projects are due at the same time and considered as part of the same process. The 2008 Legislature directed DEP to submit separate funding lists for beach erosion control and inlet management projects. Any funds appropriated are for the fiscal year beginning in July. Thus, the application process that began in June 2014 makes funds available on July 1, 2015.<sup>3</sup>

DEP's local government funding request (LGFR) contains projects at various stages in development (e.g., feasibility, design, construction, and monitoring). The list may include new projects for areas that have never been nourished as well as ongoing projects that periodically renourish beaches. Local sponsors may also apply for design and feasibility when they are modifying an existing project, such as changing the materials used for a beach or inlet structure.

Exhibit 1
The Beach Management Funding Process Runs from June until DEP Submits its Local Government Funding Request (LGFR) to the Legislature in January



Source: Department of Environmental Protection.

<sup>&</sup>lt;sup>2</sup> An inlet is an indentation in the shoreline, usually long and narrow and may include a small bay, or it can be a narrow passage between islands. Inlets can disrupt or stop the natural flow of water and sand and must be managed to ensure that boat/ship traffic can make safe passage through the inlet.

<sup>&</sup>lt;sup>3</sup> Due to a change in the start of the 2016 Legislative Session, the Fiscal Year 2016-17 application process will begin earlier in the year.

Exhibit 2
Beach Management and Inlet Management Projects Have a Wide Range of Statutory Criteria

Beach Management Project Statutory Criteria	Inlet Management Project Statutory Criteria
Severity of erosion, threat to upland structures, and commercial and	Estimate of the annual quantity of beach-quality sand reaching the updrift
recreational benefits	boundary of the improved jetty or inlet channel
Availability of federal funds	Severity of the erosion to the adjacent beaches caused by the inlet and the extent to which the proposed project mitigates the erosive effects of the inlet
Extent of local government sponsor financial and administrative commitment including a long-term financial plan with a designated funding source(s) for initial construction and periodic maintenance	Overall significance and anticipated success of the proposed project in balancing the sediment budget of the inlet and adjacent beaches and addressing the sand deficit along the inlet-affected shorelines
Previous state commitment and involvement	Extent to which existing bypassing activities at an inlet would benefit from modest, cost-effective improvements when considering the volumetric increases from the proposed project, the availability of beach-quality sand currently not being bypassed to adjacent eroding beaches, and the ease with which such beach-quality sand may be obtained
Anticipated physical performance of the project, including the frequency of periodic renourishment	Interest and commitment of local governments as demonstrated by their willingness to coordinate the planning, design, construction, and maintenance of an inlet management project and their financial plan for funding the local cost share for initial construction, ongoing sand bypassing, channel dredging, and maintenance
Extent to which the proposed project mitigates the adverse impact of improved, modified, or altered inlets on adjacent beaches	Previous completion or approval of a state-sponsored inlet management plan or local-government-sponsored inlet study concerning the inlet addressed by the proposed project, the ease of updating and revising any such plan or study, and the adequacy and specificity of the plan's or study's recommendations concerning the mitigation of an inlet's erosive effects on adjacent beaches
Innovative, cost effective, and environmentally sensitive applications to reduce erosion	Degree to which the proposed project will enhance the performance and longevity of proximate beach nourishment projects, thereby reducing the frequency of such periodic nourishment projects
Provision of enhanced habitat within or adjacent to designated refuges of nesting sea turtles	Project-ranking criteria in s. 161.101(14), F.S., to the extent such criteria are applicable to inlet management studies, projects, and activities
Extent to which local or regional sponsors agree to coordinate the planning, design, and construction of their projects to take advantage of any identifiable cost savings	
Degree to which the project addresses the state's most significant beach erosion problems	

Source: Sections 161.101(14) and 161.143(2), F.S.

The statutory criteria for beach management projects cover a broad range of topics including an historical measure of erosion, commercial and economic benefits, and various funding and administrative criteria.<sup>4</sup> Inlet management projects are subject to a different set of ranking criteria.<sup>5</sup> (See Exhibit 2.)

Through administrative rule, DEP has established a point system for scoring beach management funding assistance applications across these statutory criteria. (See Exhibit 3.) Each statutory criterion can have more than one component. For example, a maximum of 10 points can be awarded for the availability of federal funding in three categories – federal authorization by the U.S. Congress, federal appropriation to the U.S. Army Corps of Engineers, and through the Federal Emergency Management Agency (FEMA).

In August 2013, DEP's revised beach management funding rule took effect. Rule changes revised various criteria, including severity of erosion, threat to upland structures, recreation and economic benefits, and significance. (See Appendix A for additional information on the criteria and the rule change.)

<sup>&</sup>lt;sup>4</sup> Section 161.101(14), F.S.

<sup>&</sup>lt;sup>5</sup> Section 161.142(2) F.S.

Exhibit 3
DEP Assigns Points for the Beach Management
Funding Assistance Program Statutory Criteria

Statuton, Critoria	Number of	Available
Statutory Criteria Beach Management	Component Criteria	Points
Deach Management		
Significance	6	20
Local Sponsor Financial and	6	10
Administrative Commitment	4	10
Previous State Commitment	4	10
Availability of Federal Funds	3	10
Project Performance	2	10
Recreational and Economic	1	10
Benefits  Soverity of Francisco	1	10
Severity of Erosion	Į.	10
Mitigation of Inlet Effects	1	10
Threat to Upland Structures	1	10
Innovative Technologies	2	5
Regionalization	1	5
Enhance Refuges of Nesting Sea Turtle	1	5
Total	29	115
Inlet Management		
Balancing the Sediment Budget	1	20
Inlet Management Plan	3	15
Local Sponsor Financial and	6	10
Administrative Commitment	4	10
Previous State Commitment	4	10
Availability of Federal Funding	3	10
Sand Reaching the Inlet	1	10
Cost Effectiveness	1	10
Enhanced Project Performance	1	5
Total	20	90

 $Source:\ Department\ of\ Environmental\ Protection.$ 

Counties vary widely in the number of beach and inlet projects for which they seek funding. From Fiscal Year 2004-05 through Fiscal Year 2014-15, the number of projects for each county that were included in DEP local government funding requests, as well as the number that were funded, varied across counties. Projects were attributed to a county based on the overall benefit to the county, regardless of whether the official local sponsor was a municipality or other government authority (e.g., management district). The number of projects that counties applied for ranges from no projects in counties such as Dixie, Levy, Taylor, and Wakulla, to 91 projects in Palm Beach County. (See Exhibit 4.)

Exhibit 4
The Number of Projects Included on the Local Government Funding Request (LGFR) for Fiscal Year 2004-05 through Fiscal Year 2014-15 and the Number Funded Vary Widely Across Counties<sup>1</sup>

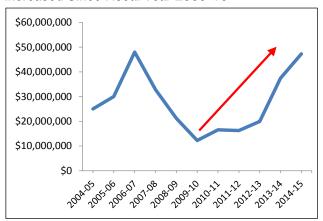


<sup>&</sup>lt;sup>1</sup> Projects from the alternative project lists from Fiscal Years 2004-05 through 2009-10 are included as part of the LGFR count. In addition, any projects that appear to benefit a county as a whole are included, regardless of whether the project was sponsored by a municipality, inlet management district, or other authority, or by DEP for the benefit of a state park located in the county. In Fiscal Year 2013-14, the Legislature funded three projects on the list and appropriated other funding to address storm damage. The additional funding for damage is included in the count of projects funded.

Source: OPPAGA analysis of Department of Environmental Protection funding requests.

Funding for beach and inlet projects is returning to prerecession levels, and the number of projects has increased. There are three funding sources for beach and inlet projects—state, federal, and local government. The number of projects funded by the state varies according to legislative appropriations. Each year the Legislature funds some, but not necessarily all, of the projects on DEP's local government funding request. Funding for beach and inlet management projects declined sharply during the recession but has begun to increase. The most recent appropriation, for Fiscal Year 2014-15, was \$47.3 million. (See Exhibit 5.)

Exhibit 5
Funding for Beach and Inlet Projects Has Steadily
Increased Since Fiscal Year 2009-10



Source: OPPAGA analysis of Department of Environmental Protection data.

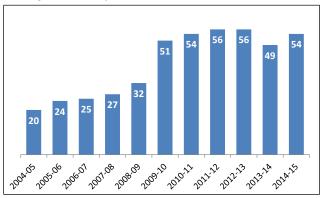
Federally funded projects include those initiated by the U.S. Army Corps of Engineers. Local governments must submit available local and state funds to the corps at the start of these projects. In any given year, about 40% of beach or inlet projects are federally funded, with the federal government funding up to 75% of the total cost of individual projects.<sup>6</sup> In addition, FEMA may provide funding as a result of storm damage.

Some projects may not include federal funds and are funded entirely by local and state funds.

In some instances, local governments go forward with projects and seek state and federal reimbursement after the project is complete. Local governments provide local match for beach projects through capital improvement funds or dedicated funding streams.

From Fiscal Year 2004-05 through Fiscal Year 2014-15, the number of projects on DEP's prioritized list ranged from a low of 20 in Fiscal Year 2004–05 to a high of 56 in Fiscal Years 2011-12 and 2012-13. There were 54 projects on the list for Fiscal Year 2014-15. (See Exhibit 6.)

Exhibit 6
The Number of Prioritized Beach and Inlet
Management Projects Has Increased



Source: OPPAGA analysis of Department of Environmental Protection data.

## Findings-

#### Stakeholders identified several concerns about the program's statutory criteria and administrative rules

OPPAGA staff interviewed, surveyed, and conducted conference calls with stakeholders to obtain their opinions regarding the statutory criteria and administrative rules used in selecting and prioritizing beach and inlet management projects.<sup>7</sup> Stakeholders raised

<sup>&</sup>lt;sup>6</sup> According to program officials, federal participation is typically 50% and can be higher than 75% in rare situations (e.g., a lawsuit involving the U.S. Army Corps of Engineers).

<sup>&</sup>lt;sup>7</sup> OPPAGA staff conducted interviews and three conference calls with coastal engineers and consultants, academics, and representatives from environmental organizations and the Florida Shore and Beach Preservation Association. Staff also surveyed 81 coastal local government units that had applied for, or were identified as potential applicants to the Beach Management Funding Assistance Program.

concerns about project eligibility and other key factors that they think are not adequately considered in the Beach Management Funding Assistance Program's current statutory criteria and administrative rules.

Stakeholders raised concerns about program's eligibility criteria. According to statute, to receive state funds, a project must provide for adequate public access, protect natural resources, and provide protection for endangered and threatened species. Projects also must be consistent with the state's beach management plan, which is intended to identify long-term solutions to address the problem of critically eroded beaches and inlets. The current strategic beach management plan was last updated in May 2008. According to program officials, they are in the process of updating the strategic beach management plan and anticipate completion in early 2015.

Stakeholders also questioned the eligibility protection criteria concerning the for endangered and threatened species. They reported that the current statutory criteria and rules pertain to a limited area of the state and to one species-sea turtles-and thus do not adequately provide for endangered and threatened species.8

In addition, stakeholders objected to the inclusion of state park projects in the beach management funding process. They suggested that the state park projects should be funded through DEP's capital improvement plan and not through a process in which they compete with local governments, regardless of whether the project has a local government sponsor. Program officials referenced the administrative rule that includes state agencies in the definition of local sponsors.<sup>9</sup>

Finally, stakeholders expressed concern that the department has returned funding applications without scoring or ranking projects. Program officials reported that an application typically is returned to an applicant for one of three reasons: 1) the project is not eligible for funding; 2) the applicant missed the application deadline; or 3) the local sponsor requested funds in an untimely manner. Program officials explained that applications may be returned if the requested funding does not align with the project phase (e.g., the local sponsor applies for construction funding but has not yet applied for permits). DEP rejects these applications to avoid encumbering funds for long periods during which they cannot be used.

According to stakeholders, ranking criteria fail to adequately capture key project components. Stakeholders reported that neither statute nor rule adequately takes into account the economic impact of beach projects, particularly the value of beaches to local tourism. Stakeholders felt that the current recreational and economic benefits criteria, which measure the project's percentage of linear footage-zoned commercial, recreational, and public lodging establishments, unacceptable. 11 They suggested approaches to assessing economic impact, such as consideration of tourism related sales taxes.

Stakeholders also raised concerns that the current statute and administrative rules do not adequately account for a project's cost effectiveness or performance. For example, stakeholders reported that federal projects are generally less cost effective than non-federal projects. They suggested that the current

<sup>8</sup> The program's ranking criteria award points for projects that provide enhanced habitat within or adjacent to designated refuges of nesting sea turtles. Archie Carr National Wildlife Refuge, located along the coast of Brevard and Indian River Counties, is the only currently designated sea turtle refuge in the state.

<sup>&</sup>lt;sup>9</sup> Program rules define a local sponsor as any state, county, municipality, township, or special district created pursuant to Part II Ch. 161, F.S., having authority and responsibility for

preserving and protecting the coastal system, and any state, county, municipality, township, and inlet and navigational districts having authority and responsibility for management of an inlet.

<sup>&</sup>lt;sup>10</sup> According to DEP, for Fiscal Year 2014-15, eight project applications were rejected—three projects were deemed untimely due to missing the application deadline, two for missing the request for additional information deadline, one because adequate funds existed in the contract, and two because the funding requests were premature for the fiscal year in which they were requested.

<sup>&</sup>lt;sup>11</sup> Criteria for recreational and economic benefits and significance (recreational and economic benefits) use the same calculation but award points differently.

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process does not give credit for non-federal projects that can be completed at a lower cost per cubic yard than federal projects.

Severity of erosion criteria and recent storm damage are major concerns for stakeholders. Stakeholders noted that the current measure of severity of erosion should also consider the shoreline's current condition. DEP measures severity of erosion based on the average historical rate of erosion over 30 years. <sup>12</sup> It is intended to serve as a baseline measure before any renourishment occurred. According to the department, changes to the rule to measure the amount of advanced nourishment lost and erosion into the design profile were established to address the beach's current condition at the time an application is submitted.

Despite the new measures to assess a beach's current condition, stakeholders reported that criteria and rules do not take into account the impact of recent storm damage.<sup>13</sup> The process can address storm damage occurring prior to the application cycle but not damage occurring after the cycle commences.<sup>14</sup>

Applications are due in August of one fiscal year for funds that will be released at the beginning of the next fiscal year. For example, applications due in August 2014, if approved, provide for funds that will be released on July 1, 2015. Depending on the permit process or other factors, the funds might not be expended until the fall of 2015 or later. In this example, if a damaging storm occurs after the application deadline, federal assistance may be available through the U.S. Army Corps of Engineers or FEMA. However, there currently is no mechanism for amending an application or submitting an additional application due to an emergency. <sup>15</sup> In prior years, the Legislature made separate appropriations if storms occurred after the application cycle began, but this is not a codified part of the process.

Program officials emphasized that the program's goal is long-term maintenance of Florida's beaches. Officials suggested that a shift in focus to short-term events would harm the long-term planning and maintenance system currently in place, leaving developed shoreline and critical habitats vulnerable.

#### Recent rule and process changes may address some stakeholder concerns, but other issues persist

At the Legislature's direction and in response to department inspector general reports, the Beach Management Funding Assistance Program (BMFA) was modified in recent years, including changes to improve consistency in the scoring process and increase process transparency. A workgroup established by the Legislature in Fiscal Year 2008-09 resulted in a new BMFA rule that became effective in August 2013. The department's new rule is in its second application cycle; it was used for the Fiscal Year 2014-15 cycle that began in June 2013 and for the cycle that began in June 2014. Given these recent changes, it may take time for the impact to be fully realized by program applicants.

Stakeholders continue to express concern regarding the BMFA application process, information requirements, and timeline. Despite the recent rule changes, stakeholders characterized

<sup>&</sup>lt;sup>12</sup> The department uses historical data to calculate the average erosion rate for up to a 30-year period after 1972 but prior to any beach-fill placement in the project area. The rate may be obtained from a published study used in the project's design for areas where inadequate data prevents this calculation.

<sup>&</sup>lt;sup>13</sup> Certain beach-funding criteria take into account storm damage that is to be renourished by the proposed project but not more recent damage.

<sup>&</sup>lt;sup>14</sup> If a project application included an area damaged by a recent storm, the local sponsor could update DEP with this information in the requests for additional information period through August 30<sup>th</sup>.

<sup>&</sup>lt;sup>15</sup> Program officials reported that they strictly adhere to the program's deadlines to comply with the department's inspector general recommendation.

<sup>&</sup>lt;sup>16</sup> Program officials made some of these changes in response to a 2012 DEP inspector general report—Bureau of Beaches and Coastal System's Beach Restoration Project Funding Scoring Process Management Review Division of Water Resource Management Report, December 2012, Report: A-1112DEP-075.

<sup>&</sup>lt;sup>17</sup> The working group consisted of the DEP secretary's designee, local government association representatives, coastal, biological and engineering experts, a multi-program contract manager, and an environmental coastal stakeholder.

<sup>&</sup>lt;sup>18</sup> Chapter 62B-36, F.A.C.

the application process as too complex, too time consuming, and lacking in transparency.

Stakeholders reported that some new criteria and information requirements are complex and burdensome. For example, while local sponsors were always required to document public lodging licenses, the new rule requires proof of licensure as well as a property inventory of all commercial/recreational businesses and public access. In addition, stakeholders reported that with the recent rule change, there are now too many criteria, many of which require complicated calculations. Consequently, some local sponsors must hire consultants to assist with application completion. According to program officials, applicants sometimes include unnecessary information. For example, in addition to the business licenses, applicants might include all reported tourism taxes provided by each beach business. Program officials reported that they were working to streamline the application process so that local governments do not have to resubmit materials for ongoing projects.

In terms of transparency, stakeholders reported that at the end of the application process, when DEP sends the local government funding request to the Legislature, the funding amounts on the project list sometimes do not match the amounts in the application. According to applicants, this can occur with no explanation from the department. Program officials reported that changes in funding could occur if DEP staff found an error in how the applicant calculated the state/local cost share; such changes would be communicated to applicants in a project's final assessment, which is posted to the agency's website.

Stakeholders also reported challenges because the application timeline fails to account for conflicting state and federal fiscal years. For example, an applicant may not qualify for federal funding points if final congressional approval occurs near the end of or after the state funding process. Timing may also be a factor because some local governments may not be in session to provide necessary local resolutions that convey the government's commitment to beach projects.

When asked for suggestions on how to address these concerns, stakeholders provided a number of responses, including discarding the current process. They suggested that the process be simplified and narrowed to only four criteria—economic impact, storm damage, leveraging federal funds, and cost effectiveness.

In general, stakeholders provided limited or no specific methods for implementing these four criteria. 19 Regarding ways to account for economic impact, stakeholders suggested requiring consultant economic impact studies to accompany project applications. Other stakeholders emphasized the need to use consistent measures of economic impact across the state and were concerned that consultant studies would provide varying economic impact measures that would further complicate the application process. Stakeholders did not offer specific suggestions for taking into account storm damage or cost effectiveness.

Survey results highlight differences in stakeholder opinions regarding the application process, information requirements, and timeline. To obtain additional information about stakeholder opinions on the BMFA program, OPPAGA staff surveyed 81 coastal local government units that applied for or were identified as potential applicants for funding assistance. Of 41 respondents, 23 had received BMFA funding.<sup>20, 21</sup>

Most survey respondents that had received BMFA funding reported that they did not have concerns with determination of project eligibility (65%); time to complete applications (78%);

<sup>&</sup>lt;sup>19</sup> One proposal offered by beach stakeholders includes three different metrics for assessing beach projects. The metrics derive from various indicators of economic benefit, cost effectiveness, and beach protection criteria.

<sup>&</sup>lt;sup>20</sup> Of the 41 respondents, 19 received funding for beach management only, 1 received funding for inlet management only, and 3 received funding for both beach and inlet management projects.

<sup>&</sup>lt;sup>21</sup> Of the respondents who had received funding, 16 completed survey questions related to beach management, and 6 answered survey questions related to inlet management.

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application information requirements (70%); requests for additional information (83%); or the external review (74%). However, 57% expressed concerns with the subjectivity of project scoring process, and 41% reported that the timeline should be changed. In addition, 13% of respondents commented on the public access eligibility calculation, stating that it is very complicated and often does not adequately reflect the public access offered by some communities. For example, DEP's definition of public lodging is more limited than the Department of Business and Professional Regulation's licensing definition, which results in the exclusion of some properties from the public access calculation.

Further, several stakeholders and 17% of survey respondents reported that a number of criteria relate to administrative factors that are difficult to attain and are not indicative of the value of projects. For example, the department awards points for financial commitment that local sponsors provide through 10-year comprehensive financial plan and a long-term dedicated funding source established by referendum or legislative authority. Some local government stakeholders stated that they do not have a 10-year financial plan and that a referendum was difficult to obtain due to the timing of the application process. stakeholders viewed these other and administrative commitment criteria (e.g., having a 100% compliance record for timely submitting quarterly reports) as contractual requirements and questioned their value relative to other ranking criteria (e.g., economic benefits).

# Stakeholder concerns about scoring and prioritization persist; analysis reveals project scoring relies on a limited number of significant criteria

Along with comments about the substance of statutory criteria and rules, stakeholders expressed concerns about how the Department of Environmental Protection scores criteria and prioritizes projects. OPPAGA analysis shows that despite the breadth of project criteria, only a

small number of factors account for a majority of project points. Thus, a very limited number of criteria play a significant role in determining a project's score and priority ranking.

The current scoring process does not account for statewide differences in beach conditions. Stakeholders consider the current system for ranking beach projects a one-size fits all approach that does not take into consideration important regional differences in erosion patterns and variations in project costs.

For example, there are relatively higher rates of erosion on Florida's eastern coast because of the flow of currents and presence of inlets, while erosion in the gulf counties is more likely due to storms. In addition, certain areas of the state, such as southeast Florida, experience difficulties in finding beach quality sand. This limitation increases project costs, as sand must be transported from outside the area rather than from offshore sources. Overall, the current process treats projects the same regardless of these regional differences.<sup>22</sup>

A limited number of criteria contributed to over points awarded to Stakeholders dislike that for many criteria, DEP awards either total points or no points, an all or nothing scoring approach. For example, if a project has federal funding, it receives the total points possible, although federal support can vary up to 75% of the project cost. 23 One suggestion to address this concern was for a graduated point system or a ratio based on the federal share. For Fiscal Year 2014-15, 62% (18 of 29) of beach project criteria and 75% (15 of 20) of inlet project criteria are based on such all or nothing determinations.

Our analysis of 58 projects scored for the Fiscal Year 2014-15 cycle determined that five beach and

<sup>22</sup> The placement volumes criterion, one of the criteria used to measure significance, recognizes geographic limitations on permitted placement volumes of sand and divides projects into geographic regions.

<sup>&</sup>lt;sup>23</sup> Points for the availability of federal funding are based on whether a project has a U.S. Army Corps of Engineers Civil Works Congressional authorization and/or project agreement or is a FEMA nourishment project with approved worksheets.

inlet management project criteria accounted for 55% and 69% of the total points awarded, respectively. Beach management projects did not receive any points for several criteria, including release of appropriation, innovative technologies, and technologies new to Florida. Similarly, inlet management projects did not receive any points for FEMA funding, release of appropriation, or a new inlet management plan. Gee Exhibit 7.) (For additional analysis of all beach and inlet management criteria, see Appendix B.)

Exhibit 7
Five Criteria Accounted for Over 50% of Project Scores for the Fiscal Year 2014-15 Cycle

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	Percentage of	Cumulative
Statutory Criteria	Total Scores	Percentage <sup>1</sup>
Beach Management Project Criteria		
Project Performance:	13.4%	13.4%
Nourishment Interval		
Recreational and Economic Benefits	11.4%	24.8%
Severity of Erosion	11.0%	35.7%
Previous State Commitment:	10.5%	46.3%
Previously Restored Shoreline		
Significance: Project Length	8.5%	54.8%
Inlet Management Project Criteria		
Balancing the Sediment Budget	27.9%	27.9%
Sand Reaching the Inlet	15.3%	43.3%
Inlet Management Plan:	11.6%	54.9%
Existing Inlet Management Plan		
Previous State Commitment:	10.6%	65.4%
Previously Restored Shoreline		
Availability of Federal Funds:	6.3%	71.8%
Congressional Authorization		

<sup>&</sup>lt;sup>1</sup> Exact percentage may be slightly more or less due to rounding. Source: OPPAGA analysis of beach management and inlet management project scores.

According to stakeholders, the current system is biased toward large projects and does not prioritize the most important projects. Among survey respondents who had received BMFA funding, 68% observed that overall, the criteria and funding process do not prioritize the most In addition, respondents important projects. commented that the current system prioritizes federal projects and projects in highly populated interviews, During stakeholders areas. acknowledged the subjective nature of questions about the relative value of projects. However, sponsors of both large and small projects questioned the fairness of the current project ranking process. They perceive a bias in the current system that prioritizes the largest, federally funded projects to the exclusion of smaller projects. They recommended that the process take into account highly ranked but unfunded projects so that in subsequent years, these projects would have an increased chance of receiving funding. Survey respondents expressed similar opinions.

In addition, our survey asked respondents to identify the most important ranking criteria. The criteria that received a score of four or higher (on a five-point scale) included

- severity of erosion;
- threat to upland structures;
- recreational and economic benefits; and
- local sponsor financial and administrative commitment.

The criteria that received the lowest average importance ratings were innovative technologies and refuges of nesting sea turtles.

The survey also asked respondents which ranking criteria should be changed in terms of the scoring method. Respondents identified eight criteria to change or delete; three of the criteria rated as highly important were included on the list of those to be modified—severity of erosion, threat to upland structures, and economic benefits.<sup>27</sup>

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<sup>&</sup>lt;sup>24</sup> OPPAGA staff analyzed the points awarded to 47 beach management and 11 inlet management projects in the Fiscal Year 2014-15 application cycle based on the rule criteria.

<sup>&</sup>lt;sup>25</sup> OPPAGA's analysis individually considered each component with assigned points. We used this approach due, in part, to stakeholders' assertion that only one or two points can determine a project's funding status.

<sup>&</sup>lt;sup>26</sup> The analysis did not include inlet management studies which the department ranks using a subset of the inlet management project criteria. There was one new inlet management study in the Fiscal Year 2014-15 application cycle.

<sup>&</sup>lt;sup>27</sup> The remaining five criteria included significance (recreational and economic benefits), technologies new to Florida, enhance refuges of nesting sea turtles, regionalization, and innovative technologies.

Stakeholders believe the current measure of severity of erosion should also consider the shoreline's current condition rather than the current measure, which is based on the average historical rate of erosion over 30 years. Stakeholders also noted that previously nourished beach projects should be allowed points for the threat to upland structures criterion. Currently, once a beach is nourished, subsequent nourishment projects no longer qualify for points for threats to upland structures. Stakeholders also suggested that the economic benefits criterion should be modified but only suggested general approaches, such as taking into account tourism tax dollars.

### Options —

Despite recent changes to improve scoring consistency and process transparency, concerns persist about the Beach Management Funding Assistance Program regarding projects that are repeatedly unfunded, specific funding criteria, and issues related to storm damage. To address these concerns, there are a number of options the Legislature could consider.

Option 1: Direct DEP to establish separate project lists for prioritizing federal-state funded projects and state-local funded projects. Separate funding lists could address the perceived bias of the current system, which stakeholders suggest favors federally funded projects. Further, based on DEP's project scoring and priority, the Legislature could establish a funding threshold for the two lists. For example, based on the historical distribution of projects, the Legislature could consider a proportion of total funding for the projects; highest ranked federal-state remaining funds would go to the highest ranked state-local projects. This would provide for competition among like projects and more consistent funding opportunities for state-local projects. Program officials expressed concern that such a change would essentially create two separate funding programs. As an alternative,

program officials suggested the Legislature could direct the program to award points for unfunded projects as a method of increasing the chances that projects from prior years would be awarded funding.

**Option 2: Modify or eliminate application criteria.** To focus the scoring process on criteria that more directly address the value of projects, the Legislature could consider options to

- increase flexibility related to the program's administrative criteria;
- revise recreational and economic benefits criteria and environmental criteria; and
- eliminate criteria for which points are typically not awarded.

The Legislature could consider directing DEP to revise how it addresses various administrative To increase flexibility regarding the program's administrative criteria, the Legislature could direct DEP to accept a 5- or 10-year comprehensive financial plan and less than 100% reporting compliance. In addition, administrative criteria, such as whether the local government has a comprehensive financial plan, could be considered part of an application threshold process. Rather than assigning points in the ranking process to such criteria, the department could use them as threshold requirements that the local government must meet to be considered for funds. Similarly, local government commitment could be a threshold requirement. DEP could consider the historic local government commitment to beach renourishment as sufficient to meet this threshold. If the local government has been conducting beach renourishment projects over the last 5, 10, 15 or more years, the local commitment is sufficient to meet the threshold. Program officials support the concept of establishing administrative threshold criteria.

The Legislature could also modify criteria pertaining to the recreational and economic benefits of beach and inlet projects by directing DEP to revise the methods for assessing such benefits. Alternative measures could include the value of property protected as a result of the

<sup>&</sup>lt;sup>28</sup> Program officials reported that they amended the policy related to threat to upland structures in the 2014-15 cycle so that every application is assessed using this criterion.

project. For example, to make the criteria comparable across counties, the value of property protected could be measured as a percentage of all the county property. Another possible economic measure could be the value of county bed taxes as a percentage of all county revenues or county employees in tourism-related occupations as a percentage of all employees in the county. According to program officials, any economic indicators incorporated into the application process must be based on publicly available data using a reproducible methodology.

To more fully address environmental concerns related to beach projects, the Legislature could consider revising habitat criteria to include other species, such as shore birds.<sup>29</sup> The federal government recently proposed a rule to designate areas nationwide as critical habitats for a variety of species. The Legislature could direct DEP, in consultation with the Fish and Wildlife Conservation Commission, to identify and prioritize the most significant critical habitats in Florida and consider them in the scoring and ranking process.<sup>30</sup>

Finally, the Legislature could direct DEP to eliminate criteria that are no longer needed or for which the department allocates no points. These include innovative technologies, technologies new to Florida, regionalization, and release of appropriation.

Option 3: Establish a process to account for storm damage occurring during the application cycle. In response to 2013 legislative proviso language, DEP recommended a process whereby the department would provide a supplemental project list for beach areas of the state hit by recent storm damage. As an alternative to a supplemental project list, the Legislature could consider providing statutory authority for DEP receive revised or amended applications in cases of storm damage occurring after the beginning of the application cycle. For example, if a hurricane occurs after the application deadline, a local government that submitted a beach renourishment application in June could withdraw and revise the original application to address the storm-damaged areas. Program officials cautioned that the time needed to consider amended applications could cause problems in meeting the January deadline for submission of the local government funding request.

### Agency Response -

In accordance with the provisions of s. 11.51(5), *Florida Statutes*, a draft of our report was submitted to the Secretary of the Department of the Environmental Protection for review and response. The Secretary's written response to this report is in Appendix C.

<sup>&</sup>lt;sup>29</sup> Stakeholders also raised concerns regarding sea-level rise and stormwater runoff as a source of beach erosion.

<sup>&</sup>lt;sup>30</sup> Per s. 20.331, *F.S.*, the Fish and Wildlife Conservation Commission is the state agency responsible for managing the state's fish and wildlife resources.

#### Appendix A

# Beach and Inlet Management Project Ranking Criteria Pre- and Post-2013 Rule Revisions

The Department of Environmental Protection awards points and ranks eligible beach management projects based on 12 statutory criteria measured as 29 component criteria. The department amended the administrative rule for beach management project criteria in August 2013. The rule change maintained the number of criteria but increased the total number of component criteria from 18 to 29. It also increased the number of maximum total points for the 12 criteria from 100 to 115. In the event that projects receive the same number of points, the department shall assign funding priority to the project most ready to initiate construction. (See Exhibit A-1.)

Exhibit A-1
Beach Management Project Criteria Were Amended in 2013

Statutory Criteria	Scoring Under Old Rule	Scoring Under New Rule	Effect of New Rule
Severity of Erosion	Determined by the average rate of erosion for the project area over 30 years based upon the Department's long term data base for the project length at 2 points per foot of erosion, rounded to the nearest whole foot, for a maximum total of 10 points	Determined by the average <u>historical</u> rate of erosion for the project <u>length</u> area over 30 years <del>based upon the Department's long term data base for the project length</del> at 2 points per foot of erosion, <del>rounded to the nearest whole foot,</del> for a maximum total of 10 points	Clarified existing criteria – project area to project length; No change in maximum total points (10).
Threat to Upland Structures	The percent of developed property containing structures within the project boundaries at or seaward of the projected 25-year return interval storm event erosion limit times ten, rounded to the nearest whole number, for a maximum total of 10 points	The percent of <u>shoreline</u> <u>developed property</u> containing structures <u>at or seaward</u> <u>of the projected 25-year return interval storm event erosion limit</u> within the project boundaries <del>at or seaward of the projected 25-year return interval storm event erosion limit</del> times ten, <del>rounded to the nearest whole number</del> , for a maximum total of 10 points	Clarified existing criteria – percent of developed property to percent of shoreline; No change in maximum total points (10).
Recreational and Economic Benefits	The percentage of linear footage of property within the project boundaries zoned commercial or recreational, or the equivalent, in the current local government land use map times ten, rounded to the nearest whole number, for a maximum total of 10 points	The percentage of linear footage of property within the project boundaries zoned commercial, or recreational, or Public Lodging Establishment, or the equivalent, in the current local government land use map times ten, rounded to the nearest whole number, for a maximum total of 10 points	Changed definition to include Public Lodging Establishment; No change in maximum total points (10).
Availability of Federal Funds	Projects with Congressional authorization for the project phase shall receive 5 points  Projects with a current Project Cooperation Agreement executed for the project phase or with available federal funds shall receive 5 points	Projects with <u>United States Army Corps of Engineers Civil Works</u> Congressional authorization for the <u>requested</u> project phase shall receive <u>5</u> points  Projects with a current <u>United States Army Corps of Engineers p</u> Project <u>Cooperation a</u> Agreement executed for the <u>requested</u> project phase or <u>projects listed in a United States Army Corps of Engineers work plan or current federal <u>budget document</u> <u>with available federal funds</u> shall receive <u>5</u> points.  <u>Federal Emergency Management Agency nourishment projects (Category G or equivalent subsequent program for designed, constructed and routinely maintained beaches) with approved Project Worksheets shall receive <u>5</u> points.  (The maximum total for this criteria is 10 points)</u></u>	Added criteria for Federal Emergency Management nourishment projects (5 points); No change in maximum total points allocated (10).

Statutory Criteria	Scoring Under Old Rule	Scoring Under New Rule	Effect of New Rule
Local Sponsor Financial and Administrative Commitment	Local governments who have a long term funding source dedicated to the restoration and management of the beach project shall receive 3 points  Local governments with staff dedicated for administrative support shall receive 1 point  Local governments with 75% or better compliance record for submitting quarterly reports and billings correctly and on time over the previous year shall receive 1 point	Local governments sponsors who have a designated long term funding source for dedicated to the restoration and management of a the beach project as defined in a 10-year comprehensive financial plan shall receive 2 points  Local sponsors who provide funding for the beach project via a funding source established by referendum or legislative authority will receive 2 points  those with staff dedicated for administrative support shall receive 1 point; those with a 100 percent 75% or better compliance record for submitting quarterly reports and billings correctly and on time over the previous state fiscal year shall receive 2 points  local sponsors who provide additional funding from a third party, other than the federal government, shall receive 1 point for a 10 percent reduction or 2 points for a 25 percent reduction of the non-federal share obtained from a third party, for up to 2 shall receive 3 points  local sponsors who hold active state and federal permits for the proposed project will receive 1 point	Increased number of criteria from 3 to 6; New criteria for third-party funding, active permits, and secured funding.  Changed criteria to include long-term funding defined in a 10-year comprehensive financial plan and funding source established by referendum or legislative authority; Increased compliance record from 75% to 100%.  Increased total maximum points from 5 to 10.
		(The maximum total for this criteria is 10 points)	
Previous State Commitment	Projects where the Department has previously cost shared a feasibility or design phase shall receive 1 point  Projects to enhance, or increase the longevity of a previously constructed project shall receive 4 points  Projects that will nourish a previously restored shoreline shall receive 5 points	Projects where the Department has previously cost shared, reviewed, and approved a feasibility or design phase shall receive 1 point  Projects to enhance, or increase the longevity of a previously constructed project shall receive 34 points  Projects that will nourish a previously restored shoreline shall receive 5 points	Added criteria for the release of previously approved appropriations and adjusted points awarded for existing criteria; No change in maximum total points (10).
		Projects where previously approved appropriations for a project phase could not be encumbered and were released in their entirety by the local sponsor due to the project timelines shall receive 1 point, for a maximum total of 10 points	
Project Performance	Points shall be based upon the expected life of a project, as documented in a feasibility study or on the actual nourishment interval. Projects shall receive 1 point for every year of the expected life or actual life with a maximum total of 10 points.	Points shall be based upon the expected life of a project, as documented in a feasibility study for restoration projects and - on the average nourishment interval for nourishment projects. Projects with a three-year nourishment interval shall receive 1 point, plus 1 point for every additional year of the expected or actual life with a ten-year or more nourishment interval receiving a maximum of 8 points  Projects with an average cost/per mile/ per year below the average cost/per	Added criteria for cost per mile per year and adjusted points awarded for existing criteria; No change in maximum total points (10).
		mile/per year of all projects requesting construction funding for a given year shall receive 2 points	
Mitigation of Inlet Effects	Projects that implement strategies in the Strategic Beach Management Plan for sediment bypassing or supplemental nourishment to adjacent beaches shall receive points based upon the percentage of the target bypass volume to be achieved times 10 for a maximum total of 10 points	Projects that implement strategies in the Strategic Beach Management Plan for sediment bypassing or supplemental nourishment to adjacent beaches needed to mitigate deficiencies in the annual sediment budget shall receive points based upon the percentage of the target average annual bypass volume to be achieved by the supplemental nourishment times 10 for a maximum total of 10 points	Clarified existing criteria; No change in maximum total points (10).

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Statutory Criteria	Scoring Under Old Rule	Scoring Under New Rule	Effect of New Rule
Innovative Technologies	Projects to address erosion that are economically competitive and environmentally sensitive and designed to demonstrate an innovative application of existing technologies shall receive 3 points  Projects that demonstrate technologies previously untried in	Projects to address erosion that are economically competitive <u>with</u> nourishment, that will not adversely affect the conservation of fish and wildlife, including endangered or threatened species, or their habitats, and environmentally sensitive and that are designed to demonstrate an innovative application of existing technologies shall receive 3 points  Projects that have been documented to be effective and demonstrate	Clarified and adjusted points awarded for existing criteria; No change in maximum total points (5).
	the state shall receive 5 points	technologies previously untried in the state shall receive <u>2</u> 5 points	
F. D. ( . (	(The maximum total for this criteria is 5 points)	(The maximum total for this criteria is 5 points)	01 :5 1 : 1: 11 : 11
Enhance Refuges of Nesting Sea Turtles	Projects that are adjacent or within designated nesting sea turtle refuges shall receive 5 points	Projects that are adjacent <u>to</u> or within designated nesting sea turtle refuges shall receive 5 points	Clarified existing criteria; No change in maximum total points (5).
Regionalization	Projects where two or more local governmental entities couple their projects for contracting to reduce costs shall receive 5 points	Projects where two or more local <u>sponsors who manage</u> <del>governmental entities</del> <del>couple</del> their projects <u>together</u> <del>for contracting</del> to reduce <u>contracting</u> costs shall receive 5 points	Clarified existing criteria; No change in maximum total points (5).
Significance	Projects shall receive points based upon the project length at one point a mile, rounded to the nearest whole number, for a total maximum of 10 points	Sum of the following criteria for a maximum of 20 points. Projects shall receive points based upon the project length at one point per mile, rounded to the nearest whole number, for a maximum of 10 points	Number of criteria increased from 1 to 6; New criteria for projects entering construction phase, economic impact, advanced nourishment loss, erosion into design profile, and placement volumes.  Maximum total of points increased from 10 to 20.
		Projects entering the construction phase will receive 1 point	
		Projects with greater than 25 percent of the shoreline length designated as commercial, recreational, or public lodging establishment shall receive 1 point and projects with greater than 50 percent of the shoreline length designated as commercial, recreational, or public lodging establishment shall receive 2 points, for a total of 2 points	
		Projects where the volume of advanced nourishment lost since the last sand placement event of a beach restoration or nourishment project as measured landward of the Mean High Water Line, shall receive 1 point for every 20 percent of volume lost, for a maximum of 5 points	
		Projects where shoreline has eroded into the design profile shall receive 1 point	
		Projects that place a greater volume/mile/year than the average volume/mile/year for all projects in their region (Florida east coast, Florida west coast, and Florida panhandle) requesting construction funding for a given year	
		shall receive 1 point	

Statutory Criteria	Scoring Under Old Rule	Scoring Under New Rule	Effect of New Rule
Number of Individual Criterion	18	29	Increased criteria by 11
Total Maximum Points	100	120	Increased criteria by 20
Projects Receiving the Same Number of Points	The Department shall assign funding priority to that project most ready to initiate construction	The Department shall assign funding priority to that project most ready to initiate construction. Factors considered in the award of priority include project phase, construction schedule, the status of state and federal permits, acquisition of easements, securing of local and federal funding, construction bidding schedule, and establishment of an Erosion Control Line	Criteria clarified.

Source: OPPAGA analysis of Rule 62B-36.006, F.A.C.

Prior to rule changes in August 2013, the department ranked the beach management and inlet management projects using the same criteria. Under the new rule, the department awards points and ranks inlet management projects using 8 statutory criteria measured as 20 component criteria. The total maximum number of points a project can receive is 90. (See Exhibit A-2.) The department also ranks inlet management studies using a subset of criteria including sand reaching the inlet, local sponsor financial and administrative commitment, previous state commitment, inlet management plan, and availability of federal funds. The total maximum number of points an inlet management study can receive is 55.

Exhibit A-2 Inlet Management Project Criteria

Statutory Criteria	Scoring	Total Maximum Points: 90 Points
Sand Reaching the Inlet	Estimated annual quantity of beach quality sand reaching the updrift boundary of the improved jetty or inlet channel quantified at the rate of one point per 20,000 cubic yards per year for a total maximum of 10 points	10
Balancing the Sediment Budget	Annual average bypassing volume to be placed on the adjacent eroding shorelines divided by the annual bypassing objective as determined by the Inlet Management Plan or department approved study times 20 for a maximum of 20 points	20
Cost Effectiveness	The proposed annualized increase in bypassing of material from within the inlet system divided by the unmet annual bypassing objective times 10 for a maximum of 10 points	10
Local Sponsor Financial and	Local sponsors who have a designated long term funding source for the management of an inlet project as defined in a 10-year comprehensive financial plan shall receive 2 points	_
Administrative Commitment	Local sponsors who provide funding for the beach project via a funding source established by referendum or legislative authority will receive 2 points  Local sponsors who provide additional funding from a third party, other than the federal government, shall receive 1 point for a 10 percent reduction or 2  points for a 25 percent reduction of the non-federal share obtained from a third party for up to 2 points	_ 10
	Those with a 100 percent compliance record for submitting quarterly reports correctly and on time over the previous state fiscal year shall receive 2 points  Local sponsors who hold active state and federal permits for the proposed activities will receive 1 point  Local sponsors who have entered into an interlocal agreement with regional partners for the purpose of joint inlet management will receive 1 point for a maximum total of 10 points	<u> </u>
Previous State	Projects where the Department has previously cost shared, reviewed, and approved a feasibility or design phase shall receive 1 point	_
Commitment	Projects to enhance or increase the longevity of a previously constructed project within the area of inlet influence shall receive 3 points  Projects that will nourish a previously restored shoreline within the area of inlet influence shall receive 5 points  Projects where previously approved appropriations for a project phase could not be encumbered and were released in their entirety by the local sponsor due to the project timelines shall receive 1 points for a maximum total of 10 points	10
Inlet Management Plan	Proposed projects that have an existing Inlet Management Plan or completed Inlet Management Study accepted by the Department that defines the sediment budget, quantifies the volumetric bypassing objective, and contains specific management strategies shall receive 5 points  Projects where the Department has received and approved an update to an existing Inlet Management Plan in the form of a current inlet management study/sediment budget analysis within the previous 10 years or proposes to conduct an update to an existing inlet management plan shall receive an additional 5 points  Projects proposing to develop a new inlet management study to be submitted to the Department for adoption of an Inlet Management Plan shall receive 15 points	15 
Enhanced Project Performance	The increased nourishment interval shall be estimated by the annual bypassing volume divided by the annual beach nourishment volume needed by a beach project within the area of inlet influence multiplied by 5 for a total of 5 points	5
Availability of federal funds	Projects with United States Army Corps of Engineers Civil Works Congressional authorization for the requested project phase shall receive 5 points  Projects with a current United States Army Corps of Engineers project agreement executed for the requested project phase or projects listed in a United States Army Corps of Engineers work plan or current federal budget document shall receive 5 points  Federal Emergency Management Agency projects (Category G or equivalent subsequent program for designed, constructed and routinely maintained beaches) with approved Project Worksheets shall receive 5 points.	10

Source: OPPAGA analysis of Rule 62B-36.006, F.A.C.

#### Appendix B

# **Analysis of Beach and Inlet Management Project Scores**

OPPAGA staff analyzed the points awarded to 47 beach management and 11 inlet management projects in the Fiscal Year 2014-15 application cycle based on the rule criteria. Five of the 29 (17%) beach management project criteria accounted for 55% of the total points awarded. There is also little variation in percentages amongst these criteria. Projects did not receive any points for several criteria, including third-party funding, release of appropriation, innovative technologies, and technologies new to Florida. (See Exhibit B-1.) The shaded cells represent criteria that were established under the new rules. The percentages for all the new criteria, except for significance: advanced placement loss, were less than the average percentage of total scores.

Exhibit B-1
Five Beach Management Project Criteria Accounted for 55% of Points Awarded

Beach Management Project Criteria	Percentage of Total Scores	Cumulative Percentage
Project Performance: Nourishment Interval	13.4%	13.4%
Recreational and Economic Benefits	11.4%	24.8%
Severity of Erosion	11.0%	35.7%
Previous State Commitment: Previously Restored Shoreline	10.5%	46.3%
Significance: Project Length	8.5%	54.8%
Significance: Advanced Placement Loss	5.1%	59.9%
Availability of Federal Funds: Congressional Authorization	3.5%	63.4%
Local Sponsor Financial and Administrative Commitment: Designated Funding Source by Referendum	3.4%	66.8%
Mitigation of Inlet Effects	3.3%	70.1%
Significance: Economic Impact	2.9%	73.0%
Local Sponsor Financial and Administrative Commitment: Quarterly Reporting Requirements	2.7%	75.7%
Availability of Federal Funds: FEMA Funding	2.6%	78.3%
Previous State Commitment: Previously Cost Sharing in Feasibility or Design	2.6%	80.9%
Local Sponsor Financial and Administrative Commitment: 10-year Comprehensive Plan	2.6%	83.5%
Local Sponsor Financial and Administrative Commitment: Secured Local Funds	2.4%	85.9%
Availability of Federal Funds: USACE Project Agreement	2.3%	88.3%
Project Performance: Cost per mile per year	2.1%	90.4%
Local Sponsor Financial and Administrative Commitment: Active Permits	2.0%	92.4%
Significance: Construction Phase Projects	1.8%	94.2%
Significance: Erosion into Design Profile	1.3%	95.5%
Threat to Upland structures	1.1%	96.7%
Previous State Commitment: Enhanced Longevity	0.9%	97.5%
Regionalization	0.9%	98.4%
Significance: Placement Volumes	0.7%	99.1%
Enhancing Nesting Sea Turtle Refuges	0.6%	99.7%
Local Sponsor Financial and Administrative Commitment: Third Party Funding	0.1%	99.8%
Previous State Commitment: Release of Appropriation	0.0%	99.8%
Innovative Technologies	0.0%	99.8%
Technologies New to Florida	0.0%	99.8%

Source: OPPAGA analysis of beach management project scores.

Similarly, five of the 20 (25%) inlet management criteria accounted for 72% of the points awarded to inlet management projects. Projects did not receive any points for Federal Emergency Management Agency (FEMA) funding and release of appropriation. (See Exhibit B-2.) Given that the new rules established specific criteria for inlet management projects, the shaded cells represent criteria that also are present in the beach management criteria. The percentages for all the similar criteria, except for availability of federal funds: congressional authorization, were less than the average percentage of total scores.

Exhibit B-2
Five Criteria Accounted for 69% of Total Points Awarded

Inlet Management Project Criteria	Percentage of Total Scores	Cumulative Percentage
Balancing the Sediment Budget	27.9%	27.9%
Sand Reaching the Inlet	15.3%	43.3%
Inlet Management Plan: Existing Inlet Management Plan	11.6%	54.9%
Previous State Commitment: Previously Restored Shoreline	10.6%	65.4%
Availability of Federal Funds: Congressional Authorization	6.3%	71.8%
Cost Effectiveness	5.9%	77.6%
Inlet Management Plan: Updated Inlet Management Plan	5.3%	82.9%
Availability of Federal Funds: USACE Project Agreement	3.2%	86.1%
Local Sponsor Financial and Administrative Commitment: Quarterly Reporting Requirements	2.5%	88.6%
Local Sponsor Financial and Administrative Commitment: Designated Funding Source by Referendum	2.1%	90.7%
Local Sponsor Financial and Administrative Commitment: 10-year Comprehensive Plan	2.1%	92.8%
Previous State Commitment: Previously Cost Sharing in Feasibility or Design	2.1%	94.9%
Previous State Commitment: Enhanced Longevity	1.9%	96.8%
Local Sponsor Financial and Administrative Commitment: Active Permits	1.7%	98.5%
Enhanced Project Performance	0.6%	99.2%
Local Sponsor Financial and Administrative Commitment: Third Party Funding	0.4%	99.6%
Local Sponsor Financial and Administrative Commitment: Interlocal Agreement for Inlet Management	0.4%	100.0%
Inlet Management Plan: New Inlet Management Plan	0.0%	100.0%
Availability of Federal Funds: FEMA Funding	0.0%	100.0%
Previous State Commitment: Release of Appropriation	0.0%	100.0%

Source: OPPAGA analysis of inlet management project scores.

#### Appendix C



# FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

MARJORY STONEMAN DOUGLAS BUILDING 3900 COMMONWEALTH BOULEVARD TALLAHASSEE, FLORIDA 32399-3000 RICK SCOTT GOVERNOR

CARLOS LOPEZ-CANTERA LT. GOVERNOR

HERSCHEL T. VINYARD JR. SECRETARY

November 21, 2014

Mr. R. Philip Twogood Coordinator Office of Program Policy Analysis and Government Accountability 312 Claude Pepper Building 111 West Madison Street Tallahassee, Florida 32399-1475

Dear Mr. Twogood,

Pursuant to Section 11.51(2), Florida Statutes, this letter represents our response to the preliminary report titled: "The Beach management Funding Assistance Program Was Recently Improved, but Some Stakeholder Concerns Persist".

We thank you and your staff for the review and will implement any options designated by the Legislature to provide for a more efficient and relevant annual ranking process for beach and inlet management projects.

If you have any questions or require additional information, please contact Ms. Candie Fuller, Inspector General at (850) 245-3151.

Sincerely,

Herschel T. Vinyard Jr.

HTV/jar

OPPAGA Report No. 14-12

# The Florida Legislature Office of Program Policy Analysis

and Government Accountability



OPPAGA provides performance and accountability information about Florida government in several ways.

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Project supervised by Kara Collins-Gomez, Staff Director (850/717-0503)

Project conducted by Mary Alice Nye (850/717-0567) Alex Regalado (850/717-506) and Laila Racevskis

R. Philip Twogood, Coordinator