

*Protection of Endangered Species at Comal and San Marcos Springs.*² Specifically the Program will remain within the budgetary confines of Table 7.1 of the EAHCP by utilizing a price point that falls below the average lease rate assumed in HDR's analysis of \$125 and the ten-year standby rate for the Voluntary Irrigation Suspension Program Option (VISPO) of \$70.20.

Budgetary Implications:

The sole budgetary implication related to this proposal is that full funding for the acquisition of portions of the groundwater rights associated with the ASR Program (Tier 2 and Tier 3) will no longer be dependent upon Reserve Funds. All funding will be associated with long-term contractual commitments that are paid annually. Unlike VISPO, the "triggers" within the contracts are intended to only be associated with the act of forbearance. The price point associated with the agreements will remain the same, regardless of whether or not forbearance is exercised under the agreement.

² HDR's October 2011 *Evaluation of Water Management Programs and Alternatives for Springflow Protection of Endangered Species at Comal and San Marcos Springs* may be found at: <http://www.eahcp.org/documents/Appendix%20K.pdf>