



REPLY TO  
ATTENTION OF

**DEPARTMENT OF THE ARMY**  
JACKSONVILLE DISTRICT CORPS OF ENGINEERS  
PANAMA CITY REGULATORY OFFICE  
1002 WEST 23<sup>RD</sup> STREET, SUITE 350  
PANAMA CITY, FLORIDA 32405-3648

April 22, 2008

Regulatory Division  
North Permits Branch  
SAJ-2002-5061 (NW-DEB)

Northwest Florida Water Management District  
c/o Doug Barr  
81 Water Management Drive  
Havana, Florida 32333-4712

Dear Mr. Barr:

Reference is made to your letter of March 19, 2008, requesting the release of the 56.80 credits from the Sand Hill Lakes Mitigation Bank (SHLMB). These credits have been calculated using the Wetland Rapid Assessment Procedure (WRAP). The SHLMB Mitigation Bank Instrument (MBI) was assigned Department of Army Permit #SAJ-2002-5061 (MB-DEB).

Your request for credit release is based on the completion of the following activities specified in Exhibit 20 of the MBI:

1. Hydrologic Enhancements: Black Pond dam replacement; Dykes Mill Pond dam removal; bridge construction; culvert; low-water crossings; and road-fill removal. Total credit release request = 10%.

2. Vegetative Enhancement: Unit #11 - upland pine plantation removal, plant with longleaf and wiregrass (385 acres); Unit #3 - thin slash pine (11.5 acres); Unit #12 - oak reduction and longleaf and wiregrass planting (265 acres); Units #2 & 3 mechanical treatment, longleaf, slash pine, and wiregrass planting (160 acres); and Units #5 & 9 - cypress and black gum planting (5 acres). Total credit release request = 10%.

An inspection of the enhancement areas, on April 7, 2008, indicates that all activities have been completed, except for planting longleaf pine seedlings in Unit #11. You indicate that this area will be planted this fall. The Corps requests notification upon completing the scheduled longleaf pine planting. Overall, the site inspection indicated improvement toward reaching target goals.



Based on the information provided, the Corps has determined that release of the requested credits shall be granted as follows:

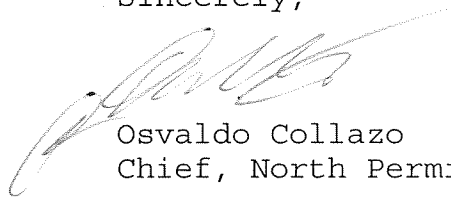
Freshwater Herbaceous	Hydric Flatwoods	Mixed Forested Wetlands	Total
5.56	23.44	27.8	56.80

Release of the remaining 55% of bank credits associated with prescribed burning and reaching success criteria will be withheld until future date.

Enclosed is a copy of the credit release ledger, which is current commensurate with the date of this letter. Subsequent approval for release and withdrawal of credits will be accompanied by an updated version of this ledger.

If you have any questions, please contact Mr. Dale Beter, by telephone at 850-763-0717, #57, or by electronic mail at: [dale.e.beter@saj02.usace.army.mil](mailto:dale.e.beter@saj02.usace.army.mil).

Sincerely,



Osvaldo Collazo  
Chief, North Permits Branch

Enclosures

Copy Furnished: (w/o encls.)  
Vicki Tauxe, FDEP, Tallahassee  
Mary Mittiga, FWS, Panama City  
Cecelia Harper, EPA, Atlanta  
Joy Giddens, FDOT District III, Chipley  
Andrew Phillips, CESAJ-RD-NA-M, Cocoa

Sand Hill Lakes Mitigation Bank WRAP Freshwater Herbaceous Wetland Credit Ledger

DA Permit No. SAJ-2002-5061(NW-DEB)

Total Possible Freshwater Herbaceous Wetland WRAP Credits = 27.80 (1 WRAP credit = 1.0506 UMAM credits)

Request Date	Associated DA Permit No.	DA Permit Issuance Date	Credit Release/Withdrawal Date	Credits Released	Credits Withdrawn	Credit Balance
5/25/2006			6/8/2006	9.73	0.00	9.73
6/20/2007	SAJ-1991-60607(IP-GAH)	Mod-6/27/2007	6/28/2007	0.00	1.75	-1.75
6/20/2007	SAJ-2000-1798(IP-GAH)	Mod-6/27/2007	6/28/2007	0.00	2.75	-2.75
6/20/2007	SAJ-2001-6577(IP-GAH)	Mod-6/27/2007	6/28/2007	0.00	5.23	-5.23
3/19/2008			4/22/2008	5.56	0.00	5.56
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
Totals >				15.29	9.73	5.56







Douglas E. Barr  
Executive Director

## Northwest Florida Water Management District

81 Water Management Drive, Havana, Florida 32333-4712  
(U.S. Highway 90, 10 miles west of Tallahassee)

(850) 539-5999 • (Fax) 539-2777

March 19, 2008

Mr. Dale Beter  
US Army Corps of Engineers  
1002 West 23<sup>rd</sup> Street, Suite 350  
Panama City, Florida 32405-3648

Re: SHLMB Credit Release

Dear Mr. Beter,

The NFWFMD is requesting credit release for Sand Hill Lakes Mitigation Bank. The NFWFMD has completed the mitigation tasks associated with the hydrologic enhancements and habitat improvements as detailed in the MBI. According to the credit release schedule, this would result in the release of a total of 56.80 credits. In accordance with the MBI, the credit release will be allocated as "herbaceous", "flatwoods" and "mixed hardwoods" in the same ratio as the bank's total potential credits. The completed mitigation tasks are detailed below for your convenience. Supporting documentation has also been provided in the submittal.

Thank you for your consideration of this submittal. If you have any question or comments please feel free to contact me at 850-539-5999.

Sincerely,

A handwritten signature in black ink that reads "David C. Clayton". The signature is fluid and cursive, with a long horizontal line extending to the right.

David Clayton  
Environmental Scientist  
QMS

**RECEIVED**

MAR 21 2008

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USACE

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TIM NORRIS  
Santa Rosa Beach

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Pensacola

## Mitigation Tasks Completed

### Community restoration.

- a. Pine removal: In accordance with the permit requirements, a total of 383 acres of upland pine plantation and 11.5 acres of wet pine plantation Management Units 11 and 3 have been removed using best management practices. In Management Unit 3 the pines were thinned to approximately 200 trees per acre. Details concerning the pine removal were detailed in the annual report.
- b. Brush reduction: In accordance with the permit requirements, densities of turkey oak and live oak trees were reduced to less than 150 trees per acre in Management Units 10 and 12. The oaks were cut with a chain saw and stumps treated with herbicide to reduce re-growth. In addition to the required thinning in Management Unit 12, due to additional quality habitat, oak reduction also occurred in significant portions of Management Unit 10 to aid in understory restoration. Shrub cover in Management Unit 2 was reduced to ground level with a gyrotrack in March through May in 2006. The area was subsequently burned in December of 2007 to further reduce shrub cover back to coppice sprouts. In Management Unit 3, shrub cover was significantly reduced from an initial growing season burn, and further reduced during the thinning of the slash pine. Management Unit 12 was burned in February 2008. Details concerning these activities were documented in the annual report.
- c. Re-vegetation: Areas of Management Units 10 and 12 that not previously been planted in long leaf pine seedlings were burned in December and replanted with long leaf pine in December through January. The areas in Management Unit 11 that were harvested from June to September of 2007. These areas had not dried sufficiently in December to carry a fire, and an incomplete burn could lead to increased fungal mortality to the planted long leaf seedlings from pine needle brown spot and or long leaf pine blight. These areas will be burned in summer/fall 2008 and replanted in December 2008. Wire grass tublings were planted in the uplands in winter of 2008/2009 on 3' centers in accordance with the planting plan. Details concerning these activities were included in the annual report.
- d. Road fill removal areas were planted at a rate of 300 trees per acre in accordance with requirements. In addition wire grass was planted on 3' centers in 2007 and a supplemental planting occurred during the winter of 2007/2008 of wire grass on 1' centers. Despite the drought, some wetland vegetation has already colonized the wet areas. In addition, wetland mulch will be applied to the wet areas of erosion and road fill removal areas in February of 2008. Details concerning these activities were documented in the annual report.
- e. Following the removal of Dykes Mill and subsequent dry down, pond cypress trees were planted at a rate of less than 300 trees per acre. Black gum seedlings will be added during the winter of 2008/2009. Understory vegetation is already established in the drying sediments. Details concerning these activities were documented in the annual report.
- f. Finally long leaf pine seedlings were planted at a rate of 436 trees per acre throughout management unit 2 in accordance with the planting plan. In addition, 300,000 wire grass tublings were planted on 3' centers in Management Unit 2 following shrub

reduction and subsequent fire. The 300,000 wire grass tublings represent all available plant material from local sources. The remaining areas of Management Unit 2 and Management Unit 3 will be planted with wire grass during the winter of 2008/2009. Details concerning these activities were documented in the annual report.

11. Hydrologic restoration.

- a. Three fill-road crossing of wetland or stream connections were removed and restored to natural conditions and replanted in accordance with the planting plan. Details concerning these activities were documented in the annual report.
- b. Three bridge crossings and two culverts replacements were completed in accordance with the permit conditions and the planting plan. Details concerning these activities were documented in the annual report. As-builts were provided to the DEP.
- c. The existing water control structure at Dykes Mill Pond and Black Pond were removed. The Black Pond dam was replaced and the new dam was completed in February 2008 in accordance with the permit requirements. As-builts are included in the submittal. Details concerning these activities were documented in the annual report.
- d. Ten erosion sites were stabilized and re-contoured in accordance with the permit and replanted in accordance with the planting plan.
- e. To ensure public safety a boat launch ramp was installed at Dry Pond. The ramp consists of interlocking concrete in accordance with the permit requirements. Details concerning these activities were documented in the annual report.