



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

North Permits Section  
Panama City Regulatory Office  
SAJ-2004-1856-NWP  
Modification #1

JAN 26 2007

The St. Joe Company  
c/o Mr. Thomas O. Estes  
245 Riverside Avenue  
Suite 500 Jacksonville, FL 32202

Dear Mr. Estes:

Subject: Modifications to Breakfast Point Mitigation Bank (BPMB)  
Mitigation Bank Instrument (MBI) - File # SAJ-2004-1856-NWP

The purpose of this letter is to authorize various modifications of the MBI for the BPMB in one document, which represent the outcome of numerous discussions and emails among the members of the MBRT and The St. Joe Company (in the role of the Mitigation Bank Sponsor (MBS)), since the BPMB was authorized by the U.S. Army Corps of Engineers (Corps) by Nationwide Permit 27 on July 19, 2004. By letter dated October 26, 2005, the Florida Department of Environmental Protection (FDEP) authorized these modifications (Enclosure 1).

This letter also documents the acceptance by the Corps of conservation easements and financial assurances for Phases I and II, as verified by the FDEP in a letter dated March 21, 2006 (Enclosure 2); to document that the Corps has received copies of the recorded conservation easements over Phases I and II, and concurs that the conservation easements are acceptable.

The Corps has received concurrence for the approval of the proposed modifications to the BPMB MBI from the Environmental Protection Agency (EPA) and the U.S. Fish and Wildlife Service (FWS). For simplicity the consultants for the MBS worked with the FDEP, and have completely updated the MBI, as a single document, which incorporates all of the modifications, including modified attachments and exhibits. This updated MBI and all of its attachments and exhibits is provided to you as a single PDF file on the attached compact disc, as a record of the modified MBI, as approved by the Corps. The Corps is also providing copies of the compact disc along with this letter to the EPA, FWS, FDEP and Dr. John Tobe, as the Qualified Mitigation Specialist for this mitigation bank. The updated MBI will also be posted on the Corps web site at: [http://www.saj.usace.army.mil/permit/permitting/general\\_permits/SAJ\\_86/SAJ86\\_TOC.htm](http://www.saj.usace.army.mil/permit/permitting/general_permits/SAJ_86/SAJ86_TOC.htm).

The approved modifications to the BPMB MBI are as follows (modified from FDEP's October 26, 2005 letter):

- a. Acreage Correction: Increases and corrects the acreage figures for the bank and its communities as a result of variations in the actual survey boundaries, relative to the acreage calculated from the permit drawings;
- b. Incorporation of Out-parcel: Incorporates the acreage, monitoring and management of a 246 acre area, previously shown as an out-parcel in permit drawings;
- c. Modifies Credit: Reduces credits and alters release schedule for Phase I because of previously permitted mitigation acreage that was mistakenly counted toward bank credits;
- d. Conservation Easement: Modifies the conservation easement and legal description of the mitigation bank to incorporate all of the individual permit-specific mitigation areas and surveyed boundary;
- e. Financial Assurance: Increases the amount of financial assurance required to accommodate the additional acreage;
- f. Permit Language and Figures: Modifies and references page numbers for word changes to the permit and modifies the permit drawings to incorporate the boundary corrections and all of the individual permit-specific mitigation areas; and
- g. Attachment A-8 – Monitoring Plan: Modifies monitoring plan in accordance to requested changes by the bank sponsor requested via email to MBRT members on September 10, 2004.

The following is background information for the proposed modifications to the BPMB MBI, as listed above (modified from FDEP's October 26, 2005 letter):

- a. Five Department of the Army permits were issued that used property within the mitigation bank area as mitigation to offset wetland impacts. The Pier Park permit (SAJ-1999-907-IP) and the Beckrich Office permit (SAJ-2000-1791-IP) used adjoining parcels that were shown as an out-parcel (total of 246 acres) in the mitigation bank review and figures. The other three permits, The St. Joe Company/Home Depot, (SAJ-2003-3265), Edgewater/B&N Developers (SAJ-2003-5103-IP), and The St. Joe Company/Alf Coleman (SAJ-2002-4758-IP), used property adjacent to the out-parcel, but this acreage was mistakenly considered as part of the mitigation bank. The Corps concurs that it is sensible and ecologically beneficial for these individual permit mitigation projects to be incorporated in to the mitigation bank and be managed, monitored, protected and regulated as a whole.

b. The 246- acre out-parcel will be incorporated into the bank, and will be treated, monitored and managed in accordance with the specific conditions and success criteria detailed in the BPMB MBI. The above referenced permits will also be modified to reflect this change to their mitigation requirements. The incorporation of the out-parcel changes acreage values and property descriptions and other references dependent on acreage. In addition, since the BPMB MBI was issued, a formal boundary survey has been completed, which resulted in an increased acreage.

c. The revisions of acreage and property boundaries because of the incorporation of the out-parcel and the survey modifications changes the total acreage from 4,637 acres to 5,031 acres. All citations of 4,637 ac. within the BPMB MBI will now be stated as 5,031 acres. These revisions resulted in a change in the legal description of the property and are reflected in the boundary survey and conservation easement. The additional acreage also results in increased cost estimates and financial assurance requirements, and modifies other tables and citations regarding communities and success criteria. These increases are reflected in the revised MBI. No additional credits were requested nor will be granted by this acreage adjustment.

d. Since the other three permit-specific mitigation parcels were included in the mitigation bank plan, assessment and figures, no changes are required to the BPMB MBI conditions or figures; however, those parcels were erroneously included in the credit assessment for the bank. The Home Depot, Edgewater and Alf Colman permits will be modified to reflect the inclusion of their mitigation into the BPMB. Given that the predominant mitigation in these parcels is the conversion of hydric pine plantation to cypress flatwoods, the previously determined delta of 0.31 was applied to the 173 acres in these parcels. Thus, 53.63 credits ( $173 \times 0.31$ ) would be deducted from Phase I of the bank. This would change all citations of total bank credits from 1,051.66 to 998.03 and would change the Phase I credits from 219.96 to 166.33. Additionally, the ledger would reflect the change in the total number of potential credits.

The Phase I release column of the Credit Release Schedule (Page 12 of 19 in the MBI) is modified as follows (next page):

**Credit Release Schedule**

<b>Release Activity</b>	<b>Permit Section</b>	<b>% Credits Released</b>	<b>Credits Phase 1</b>	<b>Credits Phase 2</b>	<b>Credits Phase 3</b>	<b>Credits Phase 4</b>
Record Conservation Easement, Financial Assurances	III-D, III-E	10%	16.63 <del>22.00</del>	59.66	17.09	6.41
Logging, Selective Clearing, Brush Reduction, Exotic Control	III-F	20%	33.32 <del>44.00</del>	119.32	34.18	12.84
Prescribed Burn	III-G	15%	24.91 <del>33.00</del>	89.49	25.64	9.64
Hydrologic Improvements	III-H	5%	8.32 <del>11.00</del>	29.84	8.56	3.23
Performance Standards, Year 1 attained	IV-E(3)	10%	16.63 <del>22.00</del>	59.66	17.09	6.41
Performance Standards, Year 2 attained	IV-E(3)	10%	16.63 <del>22.00</del>	59.66	17.09	6.41
Performance Standards, Year 3 attained	IV-E(3)	10%	16.63 <del>22.00</del>	59.66	17.09	6.41
Performance Standards, Year 4 attained	IV-E(3)	10%	16.63 <del>22.00</del>	59.66	17.09	6.41
Performance Standards, Final attained	IV-E(2)	10%	16.63 <del>21.96</del>	59.66	17.09	6.41
<b>Total (998.03 4,051.66 credits)</b>		100%	166.33 <del>219.96</del>	596.61	170.92	64.17

This letter also documents the release of initial credits for Phases I and II of the BPMB:

a. The FDEP, as stated in its March 21, 2006 letter (Encl. 2) reviewed the MBS's request to modify FDEP's BPMB Permit. The request was to release the initial 16.63 credits for Phase I and 59.66 credits for Phase II of the FDEP's permit, as modified on October 26, 2005, based upon the filing of the conservation easements over these phases and the execution of financial assurance mechanisms for these phases, in accordance with the requirements set forth in Part IV, Sections F. Additionally, a Qualified Mitigation Supervisor (QMS) has been retained in accordance with Part VIII, Section E (see Encl. 2). By letter dated April 10, 2006 the MBS provided a copy of the recorded conservation easements for Phases I and II to the Corps; and the MBS requested that the Corps release the initial 16.63 credits for Phase I and 59.66 credits for Phase II.

b. The approved and executed conservation easement was recorded on March 3, 2006 in Book 2744, pages 2246-2255 of the Official Records of Bay County, with updated title insurance, policy FA-35-2075-741904 issued by First American Title Insurance Company. In addition, security gates and conservation easement signs have been installed in accordance with Attachment A-3. Standby trusts and the performance bonds supporting those trusts were executed for both the construction and implementation of Phase I and II and for their perpetual management. These documents were completed in November, 2005. The permittee has retained Dr. John Tobe of ERC, Inc. to serve as QMS.

c. On March 9, 2006, Ms. Vicki Tauxe and Ms. Connie Bersok of the FDEP met with Dr. Tobe to conduct a compliance review of the MBI ("permit" for FDEP). In Enclosure 2, the FDEP stated:

"... no deficiencies were noted, except some monitoring and reporting provisions were postponed. The permit indicates that monitoring will occur prior to mitigation activities, then annually thereafter under the assumption that these activities could be accomplished in that year. However, mitigation activities such as harvesting and burning are highly dependent on weather and field conditions, and portions of the phases were not completed, and were not monitored. Thus, to clarify, for each phase, in addition to a pre-treatment baseline monitoring, a post-treatment monitoring report will be generated after the phase has been harvested and burned in accordance with the permit. This post-treatment monitoring report will serve as part of the documentation of completion of the mitigation activities and as the basis for evaluating future annual monitoring reports regarding interim success criteria for incremental credit releases."

d. The Corps concurs with the findings and actions of the FDEP.

If you have any questions concerning this modification of the BPMB MBI, please contact the project manager, Mr. Don Hambrick, at the letterhead address, by telephone at 850-763-0717 ext. 25 or by electronic mail at [gordon.a.hambrick@saj02.usace.army.mil](mailto:gordon.a.hambrick@saj02.usace.army.mil).

BY AUTHORITY OF THE SECRETARY OF THE ARMY:

*Kevin D. O'Kane*  
for Paul L. Grosskruger  
Colonel, U.S. Army  
District Commander

Enclosures (incl. one data cd)



Jeb Bush  
Governor

# Department of Environmental Protection

Twin Towers Office Building  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

Colleen M. Castille  
Secretary

## CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 26, 2005

Mr. David G. Tillis  
The St. Joe Company  
245 Riverside Ave., Suite 500  
Jacksonville, FL 32202

Dear Mr.:

Permit Number: 0227473-001, Bay County  
Breakfast Point Mitigation Bank

RECEIVED

OCT 31 2005

JACKSONVILLE DISTRICT  
USACE

The Department has received and reviewed your request to modify the Breakfast Point Mitigation Bank (BPMB) Permit, which is Appendix A of the Department authorized Environmental Management Agreement (EMA) for Bay and Walton Counties. The Department is authorizing the following "clean-up" modifications requested for the permit that accomplish the following items:

- 1) Acreage Correction: increases and corrects the acreage figures for the bank and its communities as a result of variations in the actual survey boundaries, relative to the acreage calculated from the permit drawings;
- 2) Incorporation of Outparcel: incorporates the acreage, monitoring and management of a 246 acre area, previously shown as an outparcel in permit drawings;
- 3) Modifies Credit: reduces credits and alters release schedule for Phase I because of previously permitted mitigation acreage that was mistakenly counted toward bank credits;
- 4) Conservation Easement: modifies the conservation easement and legal description of the mitigation bank to incorporate all of the individual permit-specific mitigation areas and surveyed boundary;
- 5) Financial Assurance: increases the amount of financial assurance required to accommodate the additional acreage;
- 6) Permit Language and Figures: modifies and references page numbers for word changes to the permit and modifies the permit drawings to incorporate the boundary corrections and all of the individual permit-specific mitigation areas.

Prior to review and authorization of the mitigation bank and EMA, five individual Wetland Resource Permits were issued that used property within the mitigation bank area as mitigation to offset the wetland impacts. These mitigation parcels are shown in the attached drawing. Two of

"More Protection, Less Process"

Printed on recycled paper.

Enclosure 1

Breakfast Point  
Mitigation Bank Ledger  
Permit No. 227473-001  
October 26, 2005

*Freshwater Wetlands: Total Potential Credits = 998.03*

<u>Release Mod./</u> <u>Impact Permit</u>	<u>Permit</u> <u>Date</u>	<u>Issuing</u> <u>Agency</u>	<u>Ledger</u> <u>Modification</u>	<u>Credits</u> <u>Added</u>	<u>Credits</u> <u>Used</u>	<u>Balance</u>
No Credits Release as of 10/26/05						0.00

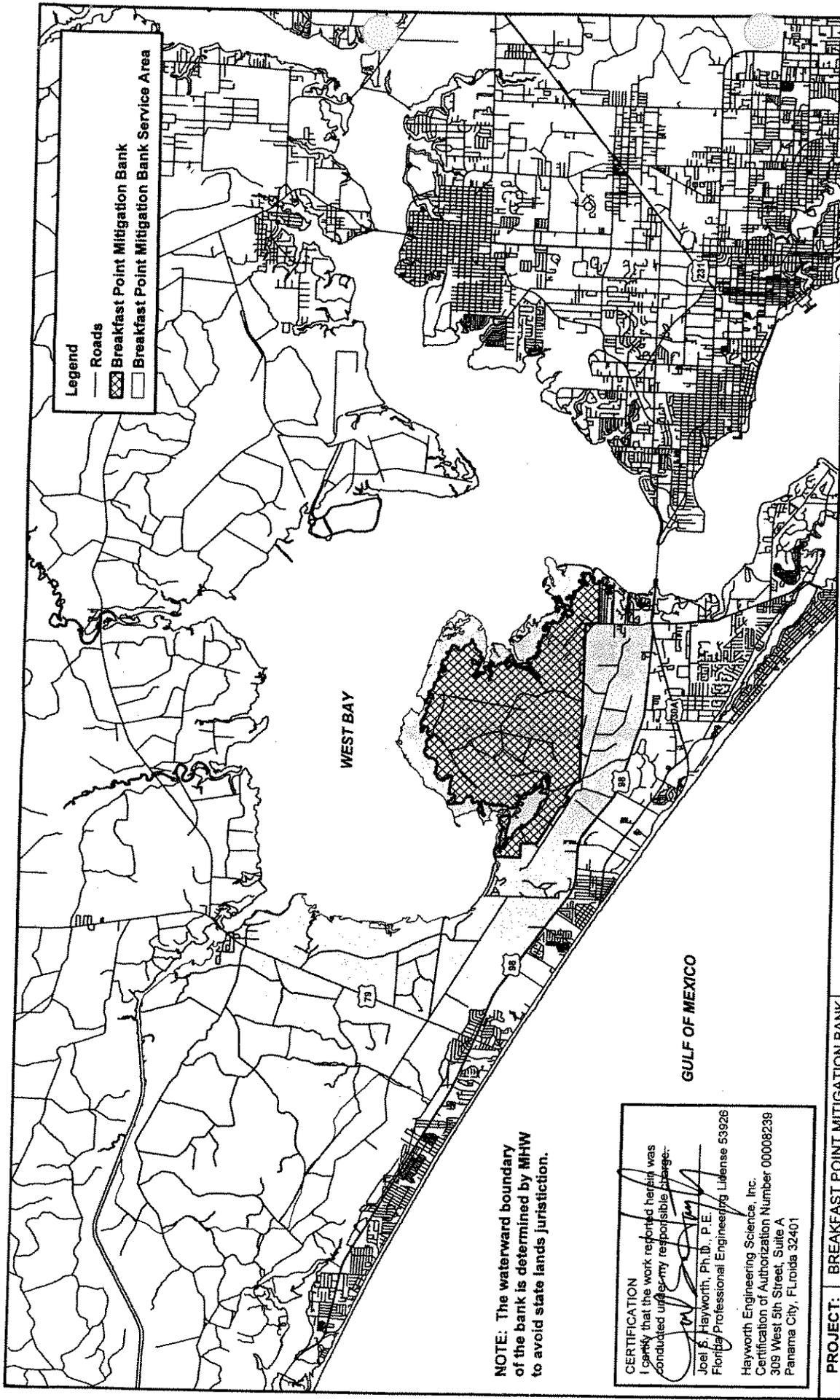
## Breakfast Point Mitigation Bank Documentation Change Cross Reference Table

<b>Breakfast Point Permit</b>		
Section	Page #	Change
I. B and C	2 of 19	4,637 acres to 5,031 acres
Table A-1	3 of 19	Changed values in table to indicate total acreage of 5,031
I.I	3 and 4 of 19	Changed names of Exhibits applicable to updated GIS and Imagery data
III.D.1	5 of 19	Financial assurance balance sheet based on new acreage
IV.E.2.a.	9 & 10 of 19	Changed acreage for community requirements based on additional acreage
IV.F.1	12 of 19	Changed Total credits to 998.03

<b>Mitigation Plan Document (Appendix A-1)</b>		
Section	Page #	Change
1. Introduction	3	4,637 to 5,031
3.1 Landscape Setting	4	4,637 to 5,031
Table A-2	6	Updated acreages/percentages to accommodate additional bank acreage.
Table A-3	13	Updated acreages to accommodate additional bank acreage.
6.1.1	16	Updated acreages to accommodate additional bank acreage.
6.1.2	17	Updated acreages to accommodate additional bank acreage.
6.1.3	18	Updated acreages to accommodate additional bank acreage.
6.1.4	19	Updated acreages to accommodate additional bank acreage.
6.1.5	20	Updated acreages to accommodate additional bank acreage.
Table A-4	21	Updated acreages to accommodate additional bank acreage.
Table A-5	24	Inserted updated schedule of activities
Exhibit A-1-1		Removed outparcel
Exhibit A-1-2		Removed outparcel and changed aerial to 2004 true color.
Exhibit A-1-3		Removed outparcel
Exhibit A-1-4		Removed outparcel
Exhibit A-1-5		Removed outparcel
Exhibit A-1-6		Removed outparcel
Exhibit A-1-7		Removed outparcel, inserted vegetation and hydro monitoring locations, and change title to reflect map elements.

## Breakfast Point Mitigation Bank Documentation Change Cross Reference Table

Exhibit A-1-8		Removed outparcel and changed aerial to 1953.
Exhibit A-1-10		Removed outparcel
Exhibit A-1-11		Removed outparcel
Attachment A-8	63-67	Added approved revised monitoring plan
Hydrologic Rest. Plan Exhibit 1-1		Remove outparcel
Hydrologic Rest. Plan Exhibit 2-1		Remove outparcel
Hydrologic Rest. Plan Exhibit 2-2		Remove outparcel
Hydrologic Rest. Plan Exhibit 2-3		Remove outparcel
Hydrologic Rest. Plan Exhibit 3-4		Remove outparcel
Hydrologic Rest. Plan Exhibit 4-1		Remove outparcel
Hydrologic Rest. Plan Exhibit 4-5		Remove outparcel



**NOTE:** The waterward boundary of the bank is determined by MHW to avoid state lands jurisdiction.

**CERTIFICATION**  
 I certify that the work reported hereon was conducted under my responsible charge.  
 \_\_\_\_\_  
 Joel S. Hayworth, Ph.D., P.E.  
 Florida Professional Engineer/79 License 53926  
 Hayworth Engineering Science, Inc.  
 Certification of Authorization Number 00008239  
 305 West 5th Street, Suite A  
 Panama City, FL 9014 32401

**Legend**  
 — Roads  
 ☒ Breakfast Point Mitigation Bank  
 ☐ Breakfast Point Mitigation Bank Service Area

**SCALE:** 1:100,000  
**DATE:** 10/06/2005  
**EXHIBIT #:** A-1-1  
**SHEET #:** 1 OF 11

**LOCATION AND SERVICE AREA MAP**

Ecological Resource Consultants, Inc.  
 Hayworth Engineering Science, Inc.

**PROJECT:** BREAKFAST POINT MITIGATION BANK  
**CLIENT:** ST. JOE COMPANY  
**PROJECT #:** 04-310  
**DRAWN BY:** JPB

**NOTE:** The waterward boundary of the bank is determined by MHW to avoid state lands jurisdiction.

**Legend**

-  Breakfast Point Mitigation Bank
-  2004 True Color Aerial

**CERTIFICATION**

I certify that the work reported herein was conducted under my responsible charge.

*Joel G. Hayworth*  
 Joel G. Hayworth, Ph.D., P.E.  
 Florida Professional Engineering License 53929

Hayworth Engineering Science, Inc.  
 Certification of Authorization Number 00008239  
 309 West 5th Street, Suite A  
 Panama City, Florida 32401



SCALE: 1:24,000  
 DATE: 10/06/2005  
 EXHIBIT #: A-1-2  
 SHEET #: 2 OF 11

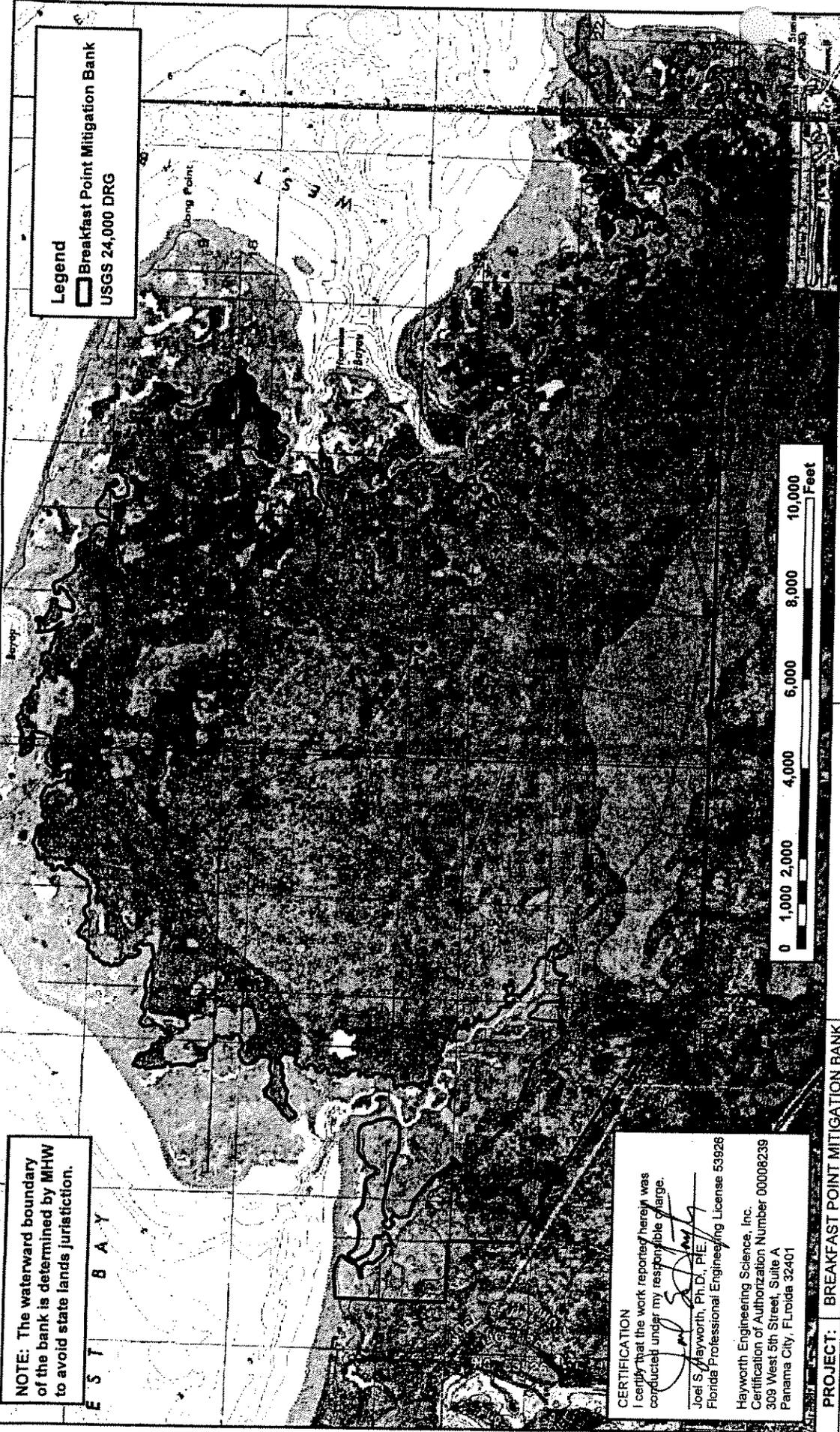
**2004 TRUE COLOR  
 AERIAL PHOTOGRAPH MAP**



<b>PROJECT:</b>	BREAKFAST POINT MITIGATION BANK
<b>CLIENT:</b>	ST. JOE COMPANY
<b>PROJECT #:</b>	04-310
<b>DRAWN BY:</b>	JPB

NOTE: The waterward boundary of the bank is determined by MHW to avoid state lands jurisdiction.

Legend  
 ☐ Breakfast Point Mitigation Bank  
 USGS 24,000 DRG



SCALE: 1:24,000  
 DATE: 10/06/2005  
 EXHIBIT #: A-1-3  
 SHEET #: 3 OF 11

QUAD TOPOGRAPHY MAP



**CERTIFICATION**  
 I certify that the work reported herein was conducted under my responsible charge.  
 Joel S. Hayworth, Ph.D., P.E.  
 Florida Professional Engineering License 53926  
 Hayworth Engineering Science, Inc.  
 Certification of Authorization Number 00008239  
 309 West 5th Street, Suite A  
 Panama City, Florida 32401

PROJECT: BREAKFAST POINT MITIGATION BANK  
 CLIENT: ST. JOE COMPANY  
 PROJECT #: 04-310  
 DRAWN BY: JPB

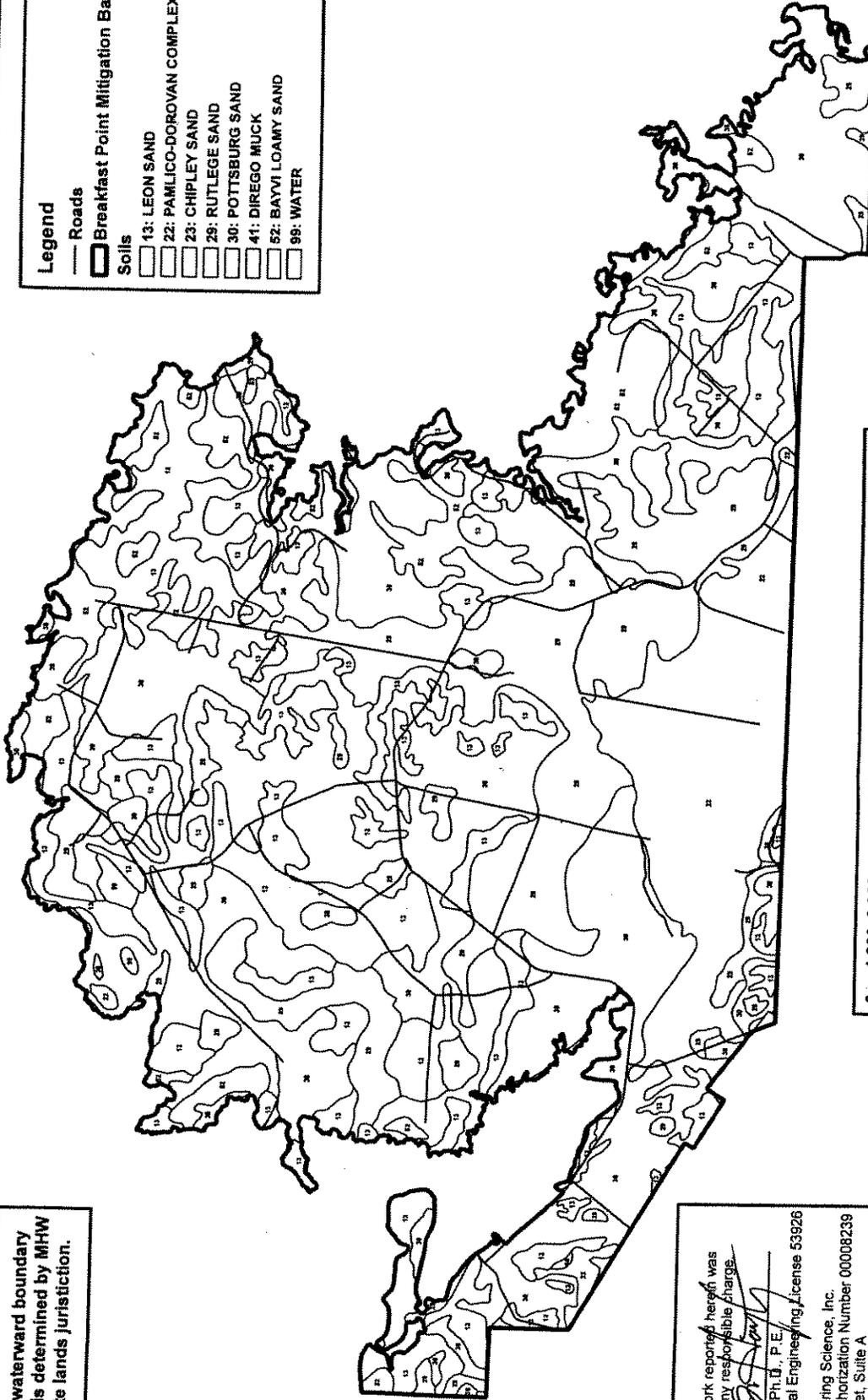
**NOTE:** The waterward boundary of the bank is determined by MHW to avoid state lands jurisdiction.

**Legend**

- Roads
- ▭ Breakfast Point Mitigation Bank

**Soils**

- ▭ 13: LEON SAND
- ▭ 22: PAMLICO-DOROVAN COMPLEX
- ▭ 23: CHIPLEY SAND
- ▭ 29: RUTLEGE SAND
- ▭ 30: POTTSBURG SAND
- ▭ 41: DIREGO MUCK
- ▭ 52: BAYVI LOAMY SAND
- ▭ 99: WATER



**SOILS MAP**



Ecological Resource Consultants, Inc.



SCALE:	1:24,000
DATE:	10/06/2005
EXHIBIT #:	A-1-4
SHEET #:	4 OF 11

**CERTIFICATION**  
 I certify that the work reported herein was conducted under my responsible charge.

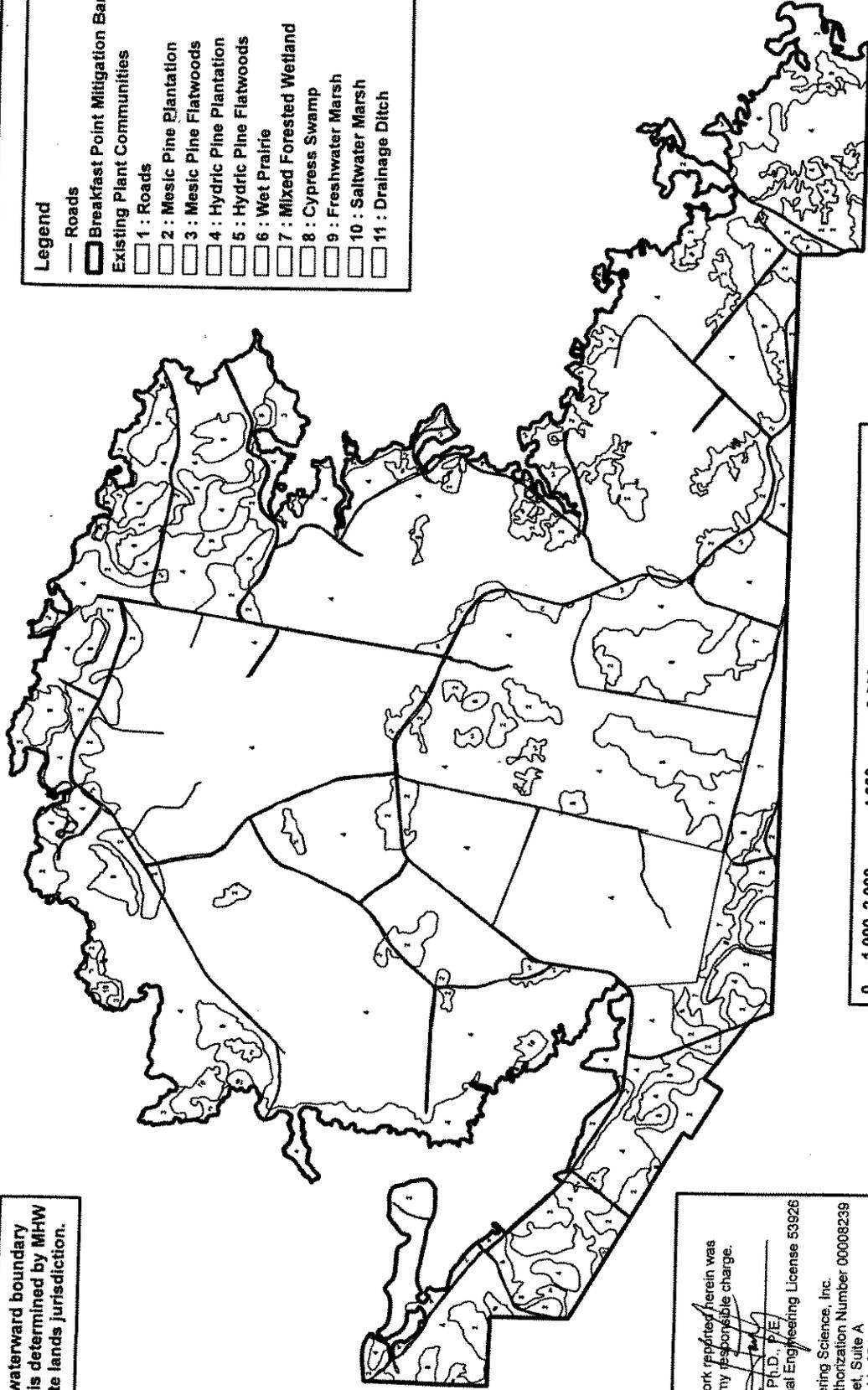
*Joel S. Hayworth*  
 Joel S. Hayworth, Ph.D., P.E.  
 Florida Professional Engineering License 53926

Hayworth Engineering Science, Inc.  
 Certification of Authorization Number 00008239  
 308 West 5th Street, Suite A  
 Panama City, Florida 32401

PROJECT:	BREAKFAST POINT MITIGATION BANK
CLIENT:	ST. JOE COMPANY
PROJECT #:	04-310
DRAWN BY:	JPB

NOTE: The waterward boundary of the bank is determined by MHW to avoid state lands jurisdiction.

- Legend**
- Roads
  - ☐ Breakfast Point Mitigation Bank
  - ☐ Existing Plant Communities
  - ☐ 1 : Roads
  - ☐ 2 : Mesic Pine Plantation
  - ☐ 3 : Mesic Pine Flatwoods
  - ☐ 4 : Hydric Pine Plantation
  - ☐ 5 : Hydric Pine Flatwoods
  - ☐ 6 : Wet Prairie
  - ☐ 7 : Mixed Forested Wetland
  - ☐ 8 : Cypress Swamp
  - ☐ 9 : Freshwater Marsh
  - ☐ 10 : Saltwater Marsh
  - ☐ 11 : Drainage Ditch



**CERTIFICATION**  
 I certify that the work reported herein was conducted under my responsible charge.  
 \_\_\_\_\_  
 Joel S. Hayworth, P.E., P/E  
 Florida Professional Engineering License 53926  
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PROJECT:	BREAKFAST POINT MITIGATION BANK
CLIENT:	ST. JOE COMPANY
PROJECT #:	04-310
DRAWN BY:	JPB



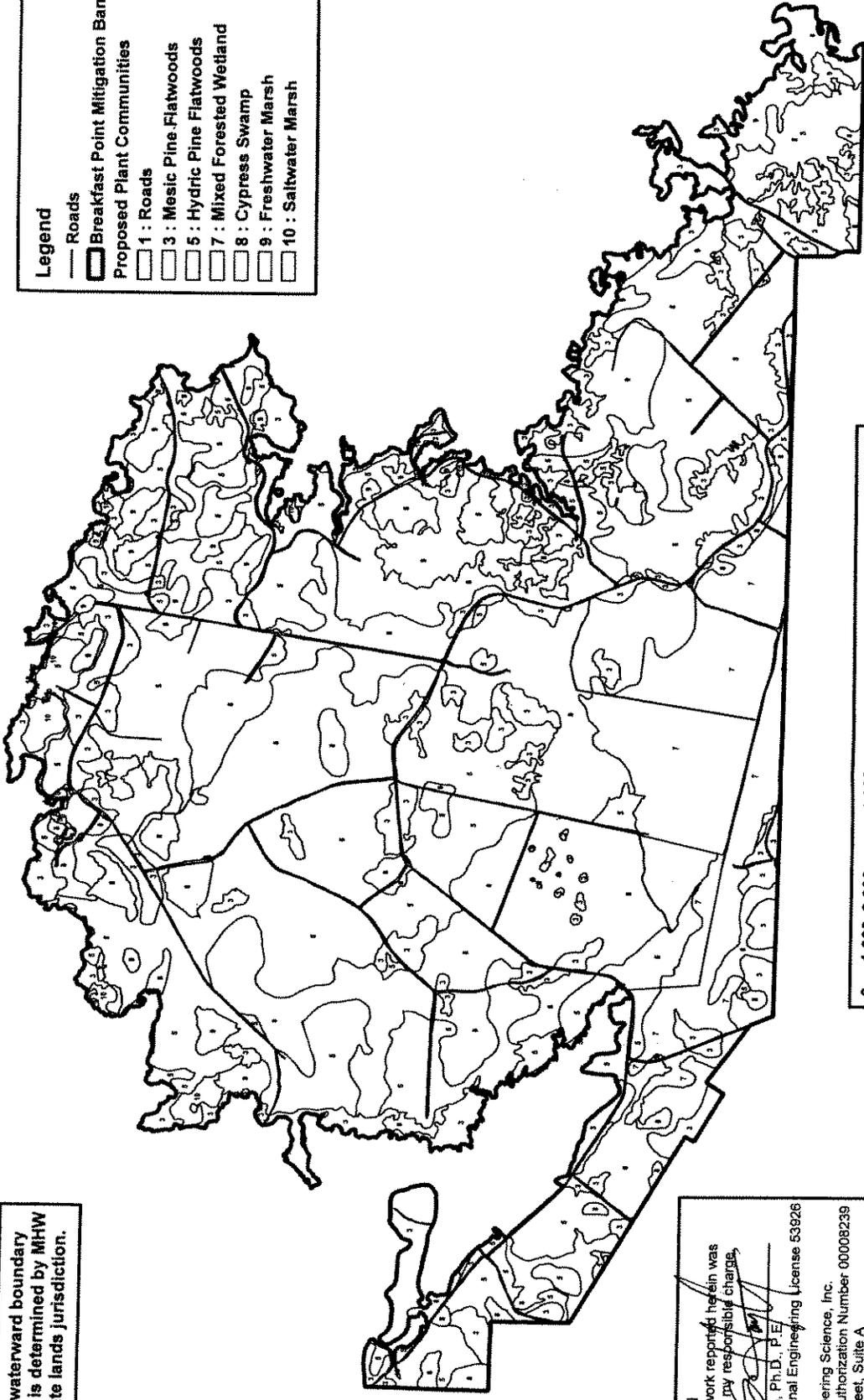
**EXISTING LAND USE AND LAND COVER**



SCALE:	1:24,000
DATE:	10/06/2005
EXHIBIT #:	A-1-5
SHEET #:	5 OF 11

**NOTE:** The waterward boundary of the bank is determined by MHW to avoid state lands jurisdiction.

- Legend**
- Roads
  - ☐ Breakfast Point Mitigation Bank
  - ☐ Proposed Plant Communities
  - ☐ 1 : Roads
  - ☐ 3 : Mesic Pine Flatwoods
  - ☐ 5 : Hydric Pine Flatwoods
  - ☐ 7 : Mixed Forested Wetland
  - ☐ 8 : Cypress Swamp
  - ☐ 9 : Freshwater Marsh
  - ☐ 10 : Saltwater Marsh



**CERTIFICATION**  
 I certify that the work reported herein was conducted under my responsible charge.  
 Joel S. Hayworth, Ph.D., P.E.  
 Florida Professional Engineering License 53926  
 Hayworth Engineering Science, Inc.  
 Certification of Authorization Number 00008239  
 309 West 5th Street, Suite A  
 Panama City, Florida 32401

<b>PROJECT:</b> BREAKFAST POINT MITIGATION BANK		<b>SCALE:</b> 1:24,000	
<b>CLIENT:</b> ST. JOE COMPANY		<b>DATE:</b> 10/06/2005	
<b>PROJECT #:</b> 04-310		<b>EXHIBIT #:</b> A-1-6	
<b>DRAWN BY:</b> JPB		<b>SHEET #:</b> 6 OF 11	

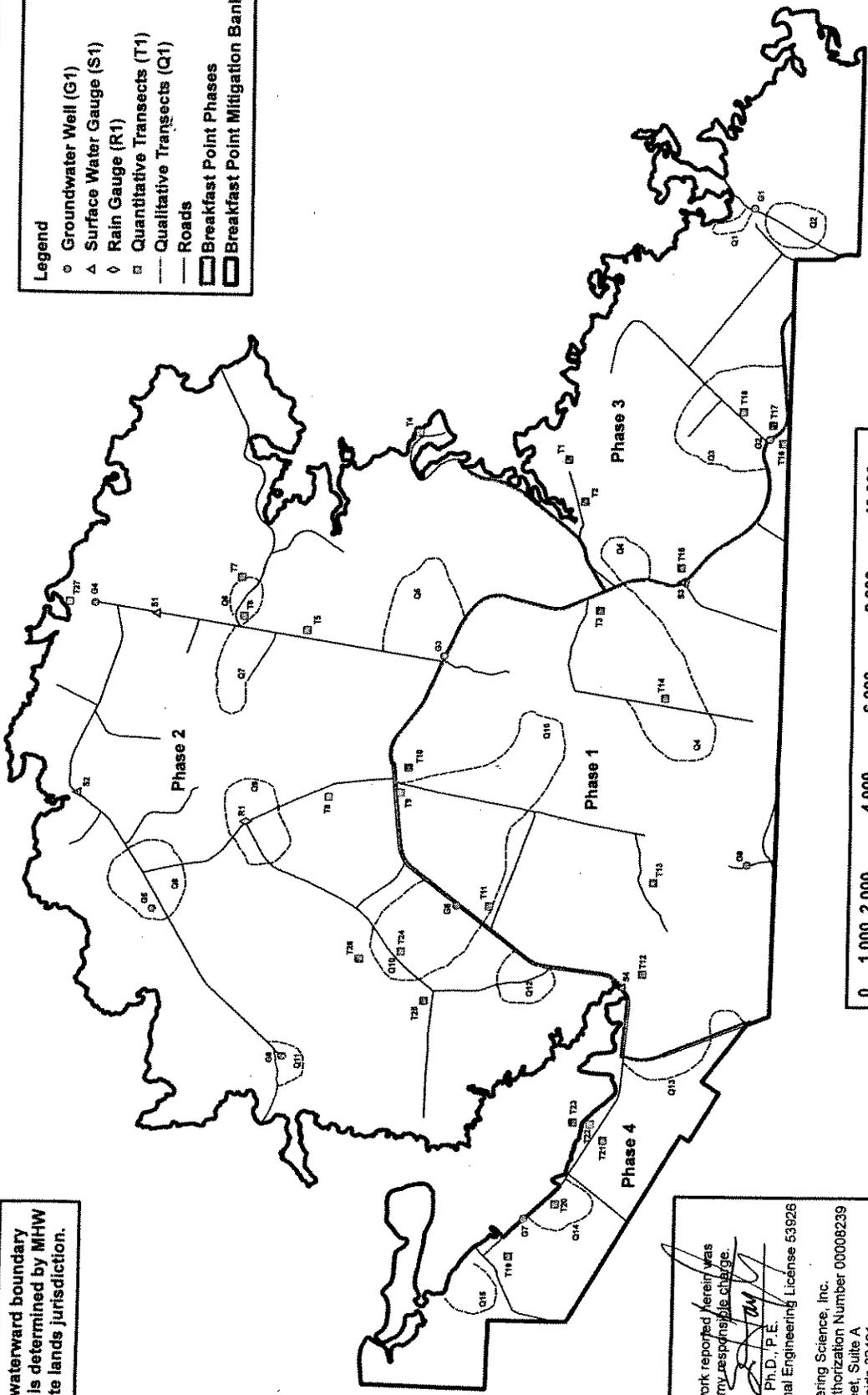


**PROPOSED LAND USE AND LAND COVER**



**NOTE:** The waterward boundary of the bank is determined by MHW to avoid state lands jurisdiction.

- Legend**
- Groundwater Well (G1)
  - △ Surface Water Gauge (S1)
  - ◇ Rain Gauge (R1)
  - Quantitative Transects (T1)
  - Qualitative Transects (Q1)
  - Roads
  - ▭ Breakfast Point Phases
  - ▭ Breakfast Point Mitigation Bank

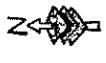


**CERTIFICATION**  
 I certify that the work reported herein was conducted under my responsible charge.

*Joel S. Hayworth*  
 Joel S. Hayworth, Ph.D., P.E.  
 Florida Professional Engineering License 53926

Hayworth Engineering Science, Inc.  
 Certification of Authorization Number 00008239  
 309 West 5th Street, Suite A  
 Panama City, Florida 32401

<b>PROJECT:</b> BREAKFAST POINT MITIGATION BANK	<b>SCALE:</b> 1:24,000
<b>CLIENT:</b> ST. JOE COMPANY	<b>DATE:</b> 10/06/2005
<b>PROJECT #:</b> 04-310	<b>EXHIBIT #:</b> A-1-7
<b>DRAWN BY:</b> JPB	<b>SHEET #:</b> 7 OF 11

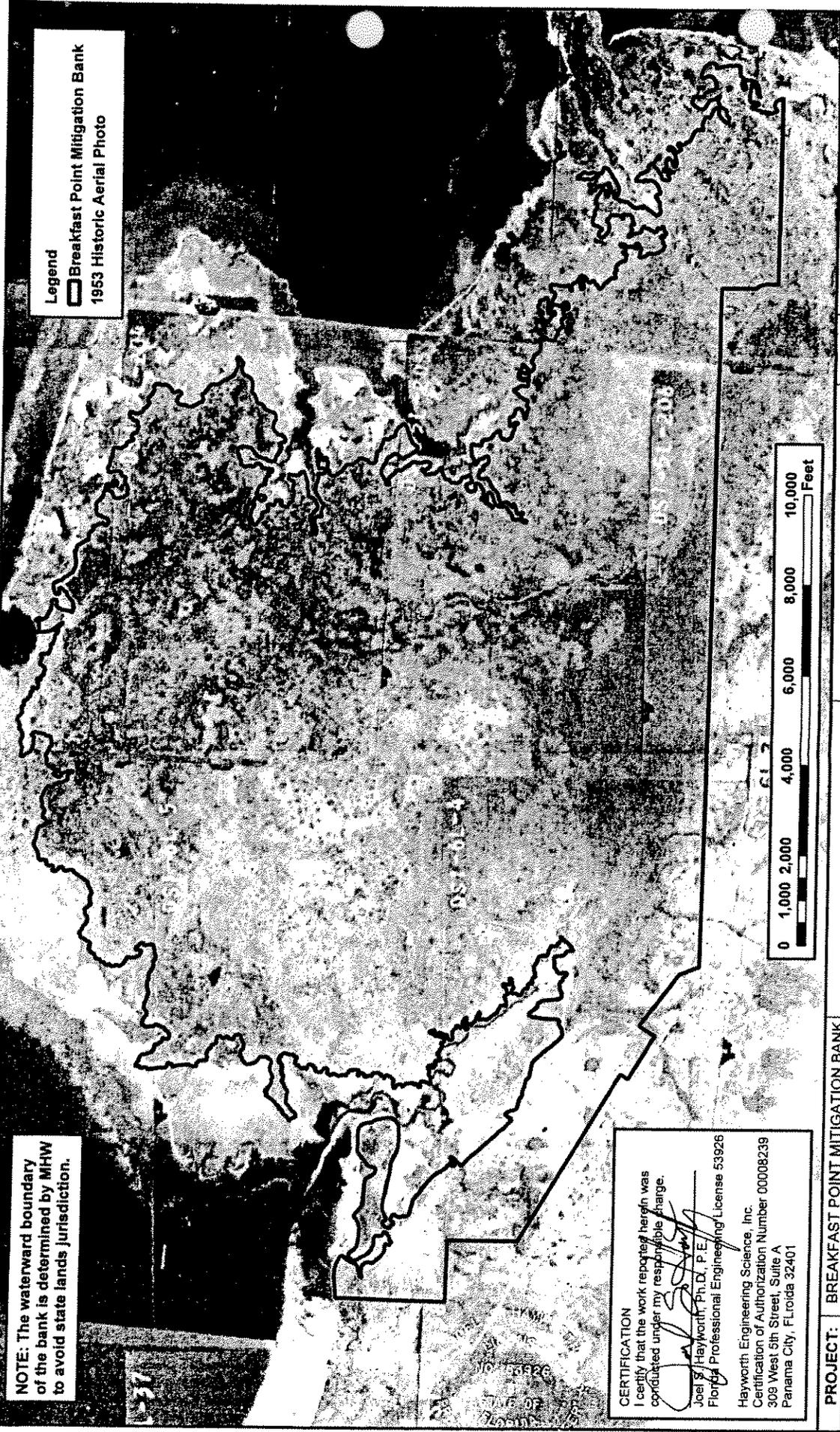


**PHASES, HYDROLOGIC AND VEGETATIVE MONITORING LOCATIONS**



NOTE: The waterward boundary of the bank is determined by MHW to avoid state lands jurisdiction.

Legend  
 [Symbol] Breakfast Point Mitigation Bank  
 [Symbol] 1953 Historic Aerial Photo



CERTIFICATION  
 I certify that the work reported herein was conducted under my responsible charge.  
 [Signature]  
 Joel J. Hayworth, Ph.D., P.E.  
 Florida Professional Engineering License 53926  
 Hayworth Engineering Science, Inc.  
 Certification of Authorization Number 00008239  
 309 West 5th Street, Suite A  
 Panama City, FL 9014 32401

PROJECT:	BREAKFAST POINT MITIGATION BANK
CLIENT:	ST. JOE COMPANY
PROJECT #:	04-310
DRAWN BY:	JPB

Ecological Resource Consultants, Inc. Hayworth Engineering Science, Inc.

HISTORIC AERIAL PHOTO, 1953



SCALE:	1:24,000
DATE:	10/06/2005
EXHIBIT #:	A-1-8
SHEET #:	8 OF 11

**NOTE:** The waterward boundary of the bank is determined by MHW to avoid state lands jurisdiction.

**Legend**

-  Breakfast Point Mitigation Bank
- 2004 True Color Aerial

**CERTIFICATION**

I certify that the work reported herein was conducted under my responsible charge.

*Joel S. Hayworth*  
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 309 West 5th Street, Suite A  
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<b>PROJECT:</b>	BREAKFAST POINT MITIGATION BANK
<b>CLIENT:</b>	ST. JOE COMPANY
<b>PROJECT #:</b>	04-310
<b>DRAWN BY:</b>	JPB



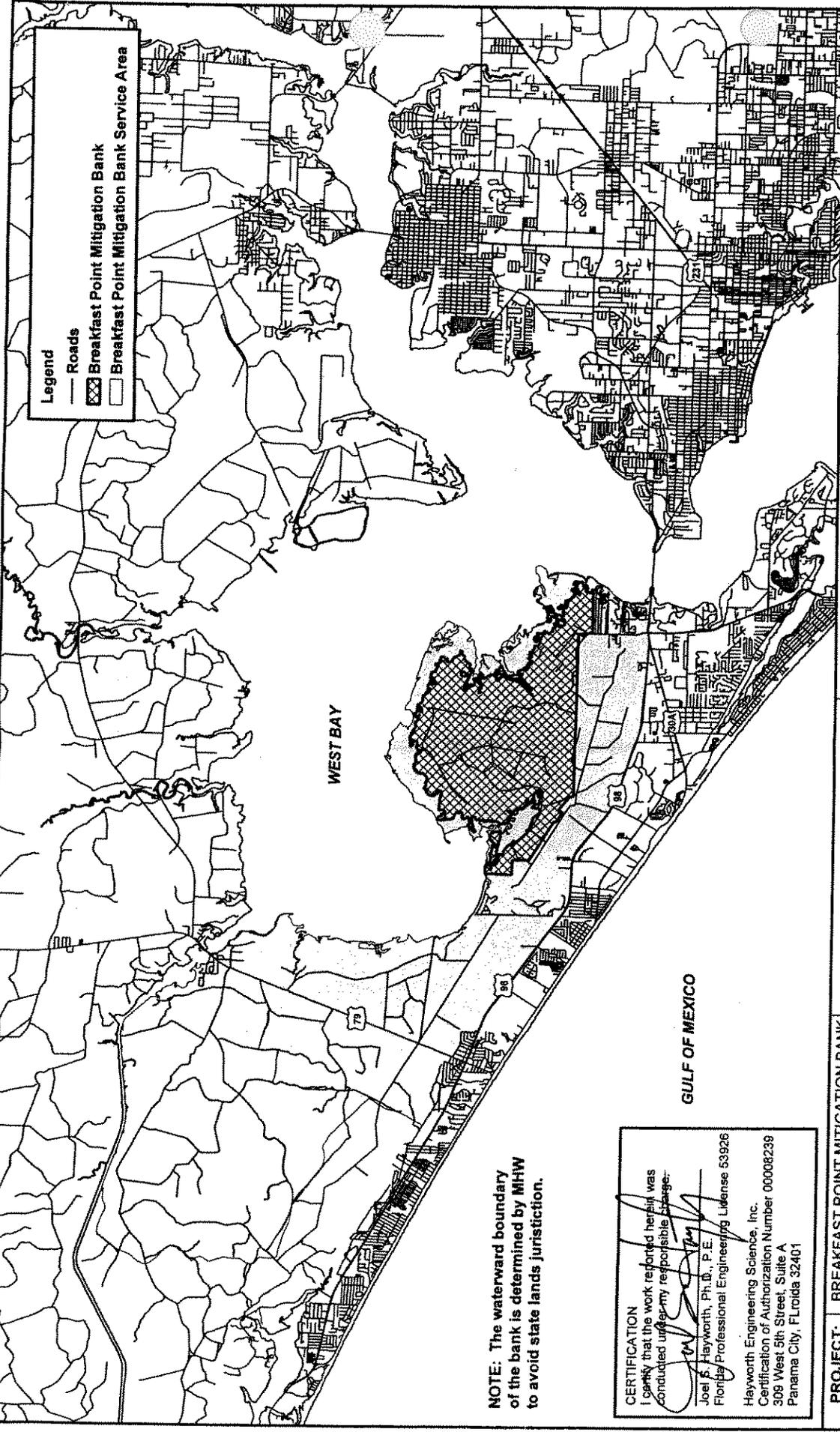
Ecological Resource  
Consultants, Inc.



Hayworth  
Engineering  
Science, Inc.

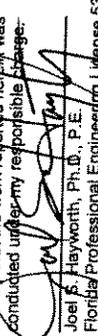
**2004 TRUE COLOR  
AERIAL PHOTOGRAPH MAP**

<b>SCALE:</b>	1:24,000
<b>DATE:</b>	10/06/2005
<b>EXHIBIT #:</b>	A-1-2
<b>SHEET #:</b>	2 OF 11

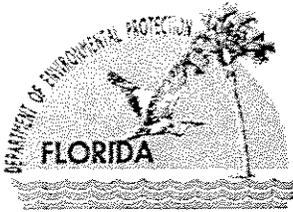


**Legend**  
 — Roads  
 [Cross-hatched box] Breakfast Point Mitigation Bank  
 [White box with black border] Breakfast Point Mitigation Bank Service Area

**NOTE:** The waterward boundary of the bank is determined by MHHW to avoid state lands jurisdiction.

**CERTIFICATION**  
 I certify that the work reported herein was conducted under my responsible charge:  
  
 Joel B. Hayworth, Ph.D., P.E.  
 Florida Professional Engineering License 53926  
 Hayworth Engineering Science, Inc.  
 Certification of Authorization Number 00008239  
 308 West 5th Street, Suite A  
 Panama City, Florida 32401

<b>PROJECT:</b> BREAKFAST POINT MITIGATION BANK		 Ecological Resource Consultants, Inc.  Hayworth Engineering Science, Inc.	<b>LOCATION AND SERVICE AREA MAP</b>		<b>SCALE:</b> 1:100,000
<b>CLIENT:</b> ST. JOE COMPANY	<b>DATE:</b> 10/06/2005				
<b>PROJECT #:</b> 04-310	<b>EXHIBIT #:</b> A-1-1				
<b>DRAWN BY:</b> JPB	<b>SHEET #:</b> 1 OF 11				



Jeb Bush  
Governor

# Department of Environmental Protection

Twin Towers Office Building  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

Colleen M. Castille  
Secretary

## CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 21, 2006

Mr. David G. Tillis  
The St. Joe Company  
245 Riverside Ave., Suite 500  
Jacksonville, FL 32202

**RECEIVED**

MAR 23 2006

JACKSONVILLE DISTRICT  
USACE

Dear Mr. Tillis:

Permit Number: 0227473-001, Bay County  
Breakfast Point Mitigation Bank

The Department has received and reviewed your request to modify the Breakfast Point Mitigation Bank (BPMB) Permit, which is Appendix A of the Department authorized Environmental Management Agreement (EMA) for Bay and Walton Counties. The request is to release the initial 16.63 credits for Phase I and 59.66 credits for Phase II of the above referenced permit, as modified on October 26, 2005, based upon the filing of the conservation easements over these phases and the execution of financial assurance mechanisms for these phases, in accordance with the requirements set forth in Part IV, Sections F. Additionally, a Qualified Mitigation Supervisor (QMS) has been retained in accordance with Part VIII, Section E.

The approved and executed conservation easement was recorded on March 3, 2006 in Book 2744, pages 2246-2255 of the Official Records of Bay County, with updated title insurance, policy FA-35-2075-741904 issued by First American Title Insurance Company. In addition, security gates and conservation easement signs have been installed in accordance with Attachment A-3. Standby trusts and the performance bonds supporting those trusts were executed for both the construction and implementation of Phase I and II and for their perpetual management. These documents were completed in November, 2005. The permittee has retained Dr. John Tobe of ERC, Inc. to serve as QMS.

The Department conducted a compliance review of the permit and no deficiencies were noted, except some monitoring and reporting provisions were postponed. The permit indicates that monitoring will occur prior to mitigation activities, then annually thereafter under the assumption that these activities could be accomplished in that year. However, some mitigation activities such as harvesting and burning that are highly dependent on weather and field conditions were not completed in portions of the phases and the phases were not monitored. Thus, to clarify, for each phase, in addition to a pre-treatment baseline monitoring, a post-treatment monitoring report

"More Protection, Less Process"

Printed on recycled paper.

*Enclosure 2*

**Notice of Modification**  
**Breakfast Point Mitigation Bank**  
**Permit No. 0227473-001**  
**Page 2**

will be generated only after the phase has been harvested and burned in accordance with the permit. This post-treatment monitoring report will serve as part of the documentation of completion of the mitigation activities and as the basis for evaluating future annual monitoring reports regarding interim success criteria for incremental credit releases.

Therefore, based on the credit release schedule and requirements set forth in the permit, a total of 76.29 freshwater credits are hereby released for use. By copy of this letter and accompanying modified ledger, we are notifying all necessary parties of the modification.

A person whose substantial interests are affected by the Department's action may petition for an administrative proceeding (hearing) in accordance with Section 120.57, Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000. Petitions filed by the permittee and the parties listed below must be filed within 21 days of receipt of this letter. Petitioner shall mail a copy of the petition to the permittee at the address indicated above at the time of filing. Failure to file a petition within this time period shall constitute a waiver of any right such person may have to request an administrative determination (hearing) under Section 120.57, F.S.

The Petition shall contain the following information:

- (a) The name, address, and telephone number of each petitioner, the permittee's name and address, the Department Permit File Number and the county in which the project is proposed;
- (b) A statement of how and when each petitioner received notice of the Department's action or proposed action;
- (c) A statement of how each petitioner's substantial interests are affected by the Department's action; or proposed action;
- (d) A statement of the material facts disputed by petitioner, if any;
- (e) A statement of facts which petitioner contends warrant reversal or modification of the Department's action or proposed action;
- (f) A statement of which rules or statutes petitioner contends require reversal or modification of the Department's action or proposed action; and
- (g) A statement of the relief sought by petitioner, stating precisely the action petitioner wants the Department to take with respect to the Department's action or proposed action.

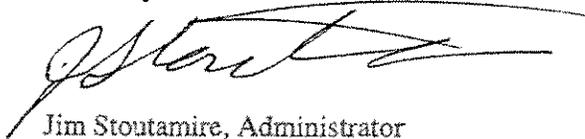
Notice of Modification  
Breakfast Point Mitigation Bank  
Permit No. 0227473-001  
Page 3

If a petition is filed, the administrative hearing process is designed to formulate agency action. Accordingly, the Department's final action may be different from the position taken by it in this letter. Persons whose substantial interests will be affected by any decision of the Department with regard to the permit have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 21 days of receipt of this notice in the Office of General Counsel at the above address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Section 120.57, F.S., and to participate as a party to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to Rule 28-5.207, F.A.C.

This Notice constitutes final agency action unless a petition is filed in accordance with the above paragraphs or unless a request for extension of time in which to file a petition is filed within the time specified for filing a petition. Upon timely filing of a petition or a request for an extension of time this Notice will not be effective until further Order of the Department.

Any party to this letter has the right to seek judicial review of the Order pursuant to Section 120.68, Florida Statutes, by the filing of a Notice of Appeal pursuant to Rule 9.110, Florida Rules of Appellate Procedure, with the Clerk of the Department in the Office of General Counsel, 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000; and by filing a copy with the appropriate District Court of Appeal. The Notice of Appeal must be filed within 30 days from the date the Notice of Permit Modification is filed with the Clerk of the Department.

Sincerely,



Jim Stoutamire, Administrator  
Office of Submerged Lands and Environmental Resources

Attachments: Ledger

cc: Dale Beter, COE, Panama City ✓  
Larry O'Donnell, DEP, Northwest District Office, Pensacola  
Duncan Cairns, NFWMD, Havana  
Hildreth Cooper, FWS, Panama City  
Haynes Johnson, EPA, Atlanta

**FILING AND ACKNOWLEDGMENT:**

FILED, on this date, pursuant to 120.52(9), Florida Statutes,  
with the designated Department Clerk, receipt of which is hereby acknowledged.

Breakfast Point  
Mitigation Bank Ledger  
Permit No. 227473-001  
March 21, 2006

*Freshwater Wetlands: Total Potential Credits = 998.03*

<u>Release Mod/ Impact Permit</u>	<u>Permit Date</u>	<u>Issuing Agency</u>	<u>Ledger Modification</u>	<u>Credits Added</u>	<u>Credits Used</u>	<u>Balance</u>
<i>Release Phase I</i>		<i>DEP</i>	<i>3/17/06</i>	<i>16.63</i>		<i>16.63</i>
<i>Release Phase II</i>		<i>DEP</i>	<i>3/17/06</i>	<i>59.66</i>		<i>76.29</i>