

DEPARTMENT OF THE ARMY PERMIT

(DUPLICATE)

Permittee: Panama City – Bay County International Airport and Industrial District
c/o Mr. Joseph K. Tannehill, Sr., Chairman
3137 Airport Road, Box A
Panama City, Florida 32407

Permit No: SAJ-2001-5264(IP-GAH)

Issuing Office: U.S. Army Engineer District, Jacksonville

NOTE: The term "you" and its derivatives, as used in this permit, means the permittee or any future transferee. The term "this office" refers to the appropriate district or division office of the U.S. Army Corps of Engineers having jurisdiction over the permitted activity or the appropriate official of that office acting under the authority of the commanding officer.

You are authorized to perform work in accordance with the terms and conditions specified below.

Project Location: The project site is located within a 4,037-acre parcel, which includes wetlands that drain into, are contiguous, and/or adjacent to West Bay via Burnt Mill Creek and Crooked Creek, in Sections 1, 2, 11, 12 & 13, Township 02 South, Range 16 West; Sections 3, 4, 5, 6, 7 & 8, Township 02 South, Range 15 West; Sections 17, 19, 20, 21, 26, 27, 28, 29, 30, 31, 32, 33, 34 & 35, Township 01 South, Range 15 West; and Sections 23, 24, 25, 26, 35 & 36, Township 01 South, Range 16 West; Bay County, Florida.

Latitude and Longitude: Latitude.....030° 21' 28" North
Longitude.....085° 47' 56" West

CONCEPTUAL PROJECT

Project Description: The Panama City – Bay County International Airport relocation project may directly impact up to 1,513 acres of jurisdictional wetlands and 17 acres of non-jurisdictional wetlands of the 1,925 acres of jurisdictional and 21 acres of non-jurisdictional wetlands on the 4,037-acre airport relocation site within a 50-year period for a conceptual, multi-phased, relocated airport facility. The conceptual project site includes the airport relocation site and an access road right-of-way from County Road 388 (CR388) to the relocation site. Site location, extent of on-site wetlands, conceptual phasing location and sequence, and compensatory mitigation areas, are shown on the attached Sheets, 1 through 7 of 41. The proposed build-out of the 50-year, conceptual,

multi-phase, relocated airport facility, as currently identified, would include the components, as described below in the “Department of the Army Permit for Construction of Phase 1” section , plus: 1) extension of the primary air carrier runway to 12,000-foot with taxiways, aprons and clear zones, 2) construction of a parallel 8,400-foot air carrier runway with taxiways, aprons and clear zones, 3) expansion of the commercial passenger terminal and a new commercial passenger terminal, 4) associated development, including general aviation, commercial, and aviation related industrial developments, 5) additional storm water management facilities, 6) additional vehicular parking, 7) and a replacement air traffic control tower. This permit discloses the permittee’s conceptual 50-year project, and provides a framework, in which to authorize the construction of the stand alone, Phase 1 portion of the conceptual, multi-phase airport relocation project. The Corps will evaluate in detail, subsequent, individual construction phases, as they are proposed by the permittee, including any regulated impacts to wetlands sought by the permittee under the Wildlife Management Program (Attached “Document D”), within the framework of the conceptual project. Only the initial Phase 1 (i.e., through the year 2018) portion of the project was provided in sufficient detail to evaluate for authorization for construction as a component of this conceptual project. Authorization for the construction of subsequent phases will require substantial additional detail, additional National Environmental Policy Act review, either as supplemental Environmental Impacts Statements or Environmental Assessments, as well as review under the Clean Water Act and other appropriate federal statutes and regulations governing the Corps regulatory program. The Phase 1 Construction Permit below requires and thus authorizes the immediate implementation of the permittee’s long-term, compensatory, wetland mitigation plan for the conceptual, multi-phase project. Future review of permit applications for the remaining individual construction phases, if submitted, would include evaluation for minimization of impacts to the aquatic environment and appropriateness and adequacy of any proffered compensatory mitigation, including the permittee’s long-term, compensatory mitigation plan.

DEPARTMENT OF THE ARMY PERMIT for Construction of Phase 1

Project Description: To directly impact all 595.2 acres of wetlands (including 9 acres of isolated, non-jurisdictional wetlands) within a 1,368.9-acre portion of the 4,037-acre relocation site for the construction of Phase 1 of the Panama City-Bay County International Airport, including an access road from CR388 to the relocation site, as shown on attached Phase 1 construction drawings, attached Sheets 8 through 41 of 41.

The components for Phase 1 include: 1) a 8,400-foot air carrier primary runway with a 5,000-foot crosswind runway, 2) airside and landside facilities to support runway operations, including taxiways, aprons and clear zones, 3) an air traffic control tower and support facilities, 4) commercial passenger terminal, 5) vehicular access roads and parking, 6) airport entrance drive and airport roadway system, 7) rental car service facilities and staging areas, 8) fuel storage facilities, 9) aircraft rescue and firefighting facility, 10) public safety facilities, 11) maintenance facilities, 12) wastewater collection, treatment and disposal facilities, 13) potable water treatment, storage and distribution system, 14) associated commercial support facilities, 15) aircraft storage hangers, 16) air cargo facilities, 17) storm water management facilities, and 18) airfield lighting vault. The long-term, compensatory mitigation plan comprises the attached "Document A."

General Conditions:

1. The time limit for completing the work authorized ends on August 15, 2057. If you find that you need more time to complete the authorized activity, submit your request for a time extension to this office for consideration at least one month before the above date is reached.
2. You must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity, although you may make a good faith transfer to a third party in compliance with General Condition 4 below. Should you wish to cease to maintain the authorized activity or should you desire to abandon it without a good faith transfer, you must obtain a modification of this permit from this office, which may require restoration of the area.
3. If you discover any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit, you must immediately notify this office of what you have found. We will initiate the Federal and State coordination required to determine if the remains warrant a recovery effort or if the site is eligible for listing in the National Register of Historic Places.
4. If you sell the property associated with this permit, you must obtain the signature and mailing address of the new owner in the space provided and forward a copy of the permit to this office to validate the transfer of this authorization.
5. If a conditioned water certification has been issued for your project, you must comply with the conditions specified in the certification as special conditions to this permit. For your convenience, a copy of the certification is attached if it contains such conditions.

6. You must allow representatives from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished in accordance with the terms and conditions of your permit.

Special Conditions:

1. Implementation of the *Panama City – Bay County International Airport Relocation Mitigation Plan (October, 2006)*, attached “Document A” of this permit, is required to commence no later than the date upon which work authorized by this permit commences. The plan shall be in effect in perpetuity. The permittee’s responsibility to complete the required compensatory mitigation as set forth in this special condition will not be considered fulfilled until the permittee has demonstrated mitigation success and has received written verification from the U.S. Army Corps of Engineers.

a. All preserved wetlands and uplands are to be maintained in perpetuity in their preserved and, if applicable, restored/enhanced, conditions as described by the plan.

b. The Corps’ copy of all monitoring reports, as described in the plan, shall be submitted to the Regulatory Division, Enforcement Branch, Post Office Box 4970, Jacksonville, Florida 32232-0019.

2. Conservation Easement: The Permittee shall preserve in perpetuity the parcels comprising the approximate 9,609 acres of wetlands and uplands subject to the Mitigation Plan, as required in Special Condition 1 above, pursuant to the Conservation Easement and the Amended Conservation Easement, attached as “Document H,” and within the boundaries and locations, as shown on the attached Sheet 7 of 41.

a. These natural preserve areas will not be disturbed by any dredging, filling, land clearing, agricultural activities, planting, or other construction work whatsoever except as required or authorized by this permit. The Permittee agrees that the only future utilization of the preserved areas in question will be as a purely natural area.

b. In the event this permit is transferred, proof of delivery of a copy of the recorded conservation easement to the subsequent Permittee or

Permittees shall be submitted to the Corps together with the notification of permit transfer.

c. The Grantee shall not assign its rights or obligations under this conservation easement except to another organization qualified to hold such interests under the applicable state and federal laws, including §704.06 Florida Statutes, and committed to holding this conservation easement exclusively for conservation purposes. The Corps shall be notified in writing of any intention to reassign the conservation easement to a new grantee and shall approve the selection of the grantee. The new grantee shall accept the assignment in writing and a copy of this acceptance delivered to the Corps. The conservation easement shall then be re-recorded and indexed in the same manner as any other instrument affecting title to real property and a copy of the recorded conservation easement furnished to the Corps

d. Any deviation from the established conservation easement cannot be performed without a modification to this permit instrument. The ability to modify or remove this conservation easement is neither implied nor guaranteed. If the conservation easement is removed for any reason, the Permittee shall provide appropriate mitigation to compensate for functional wetland loss.

3. **Financial Assurances:** Within 30 days of issuance of this permit, the permittee shall provide signed and finalized copies of the attached Standby Trust Fund Agreement, and the attached Irrevocable Letter of Credit from a bank or financial institution guaranteeing that sufficient funds have been provided to fund the proposed compensatory mitigation activities (Attached “Document B” and “Document C”).

4. Only clean fill and rock material compatible with existing soils (e.g., soil, rock, sand, marl, clay, stone, and/or concrete rubble) shall be used for wetland fills.

5. All wetlands and uplands on the 4,037-acre airport relocation project site, which are located outside of the Phase 1 construction boundary, shall not be disturbed by any dredging, filling, land clearing, or other construction work, but may continue to be managed through standard forest management operations and forestry Best Management Practices (BMPs), as has been practiced by The St. Joe Company on the site prior to issuance of this permit. In addition, wetland hardwoods and cypress will not be harvested for timber or other solely

commercial purposes. The entire 4,037-acre site may be managed according to the attached *Wildlife Management Program, Panama City - Bay County International Airport Relocation - September 2006* (Attached "Document D") in order to minimize damaging bird and wildlife strikes to aircraft.

6. The permittee must fully implement the *Construction and Post-Development Water/Sediment Quality and Biological Monitoring Plan for the Panama City-Bay County International Airport Relocation*, attached "Document E." A copy of all required monitoring reports shall be provided to the Corps concurrently with the same monitoring reports required to be submitted to the FDEP. The Corps' copy of all monitoring reports, as described in the plan, shall be submitted to the Regulatory Division, Enforcement Branch, Post Office Box 4970, Jacksonville, Florida 32232-0019.

7. This Corps permit does not authorize you to take an endangered species, in particular the flatwoods salamander (*Ambystoma cingulatum*). In order to legally take a listed species, you must have separate authorization under the Endangered Species Act (ESA) (e.g., an ESA section 10 permit, or a biological opinion (BO) under ESA section 7, with "incidental take" provisions with which you must comply). The U.S. Fish and Wildlife Service (FWS) BO, attached "Document F," contains mandatory terms and conditions to implement the reasonable and prudent measures that are associated with "incidental take" that is also specified in the BO. Your authorization under the Corps permit is conditional upon your compliance with all of the mandatory terms and conditions associated with incidental take of the attached BO, which terms and conditions are incorporated by reference in this permit. Failure to comply with the terms and conditions associated with incidental take of the BO, where a take of the listed species occurs, would constitute an unauthorized take, and it would also constitute non-compliance with your Corps permit. The FWS is the appropriate authority to determine compliance with the terms and conditions of its BO, and with the ESA.

8. Reporting Address: All reports, documentation and correspondence required by the conditions of this permit shall be submitted to the following address: U.S. Army Corps of Engineers, Regulatory Division, Enforcement Section, P.O. Box 4970, Jacksonville, FL 32232. The Permittee shall reference this permit number, SAJ-2001-5264 (IP-GAH), on all submittals.

9. **Commencement Notification:** Within 10 days from the date of initiating the authorized work, the Permittee shall provide to the Corps a written notification of the date of commencement of work authorized by this permit.

10. **Erosion Control:** Prior to the initiation of any work authorized by this permit, the Permittee shall install erosion control measures around all work areas to prevent the displacement of fill material. Immediately after completion of the final grading of the land surface, all slopes, land surfaces, and filled areas adjacent to wetlands shall be stabilized using sod, degradable mats, or a combination of similar stabilizing materials to prevent erosion. The erosion control measures shall remain in place and be maintained until all authorized work has been completed and the site has been stabilized.

11. **As-Builts:** Within 60 days of completion of the authorized work or at the expiration of the construction window of this permit, whichever occurs first, the Permittee shall submit as-built drawings of the authorized work and a completed As-Built Certification Form (pages 13 and 14 of this permit instrument) to the Corps. The drawings shall be signed and sealed by a registered professional engineer and include the following:

a. A plan view drawing of the location of the authorized work footprint (as shown on the permit drawings) with an overlay of the work as constructed in the same scale as the attached permit drawings (8½-inch by 11-inch). The drawing should show all "earth disturbance," including wetland impacts, water management structures, and any on-site mitigation areas.

b. List any deviations between the work authorized by this permit and the work as constructed. In the event that the completed work deviates, in any manner, from the authorized work, describe on the As-Built Certification Form the deviations between the work authorized by this permit and the work as constructed. Clearly indicate on the as-built drawings any deviations that have been listed. Please note that the depiction and/or description of any deviations on the drawings and/or As-Built Certification Form does not constitute approval of any deviations by the U.S. Army Corps of Engineers.

c. The Department of the Army Permit number.

d. Include pre- and post-construction aerial photographs of the project site, if available.

12. Record Permit: The Permittee shall record this permit with the Clerk of the Circuit Court, Registrar of Deeds or other appropriate official charged with the responsibility of maintaining records of title to or interest in real property within the county of the authorized activity. The signed and finalized documents as described in Special Condition 3 (Financial Assurances) above shall be attached to the permit, and recorded along with the permit. Within 90 days from the effective date of this permit the Permittee shall provide a copy of the recorded permit with the aforementioned attachments to the Corps clearly showing a stamp from the appropriate official indicating the book and page at which the permit with the aforementioned attachments is recorded and the date of recording.

Further Information:

1. Congressional Authorities: You have been authorized to undertake the activity described above pursuant to:

Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403).

Section 404 of the Clean Water Act (33 U.S.C. 1344).

Section 103 of the Marine Protection, Research and Sanctuaries Act of 1972 (33 U.S.C. 1413).

2. Limits of this authorization.

a. This permit does not obviate the need to obtain other Federal, State, or local authorizations required by law.

b. This permit does not grant any property rights or exclusive privileges.

c. This permit does not authorize any injury to the property or rights of others.

d. This permit does not authorize interference with any existing or proposed Federal projects.

3. Limits of Federal Liability. In issuing this permit, the Federal Government does not assume any liability for the following:

a. Damages to the permitted project or uses thereof as a result of other permitted or unpermitted activities or from natural causes.

b. Damages to the permitted project or uses thereof as a result of current or future activities undertaken by or on behalf of the United States in the public interest.

c. Damages to persons, property, or to other permitted or unpermitted activities or structures caused by the activity authorized by this permit.

d. Design or construction deficiencies associated with the permitted work.

e. Damage claims associated with any future modification, suspension, or revocation of this permit.

4. Reliance on Applicant's Data: The determination of this office that issuance of this permit is not contrary to the public interest was made in reliance on the information you provided.

5. Reevaluation of Permit Decision: This office may reevaluate its decision on this permit at any time the circumstances warrant. Circumstances that could require a reevaluation include, but are not limited to, the following:

a. You fail to comply with the terms and conditions of this permit.

b. The information provided by you in support of your permit application proves to have been false, incomplete, or inaccurate (see 4 above).

c. Significant new information surfaces which this office did not consider in reaching the original public interest decision. Such a reevaluation may result in a determination that it is appropriate to use the suspension, modification, and revocation procedures contained in 33 CFR 325.7 or enforcement procedures such as those contained in 33 CFR 326.4 and 326.5. The referenced enforcement procedures provide for the issuance of an administrative order requiring you comply with the terms and conditions of your permit and for the initiation of legal action where appropriate. You will be required to pay for any corrective measures ordered by this office, and if you fail to comply with such directive, this office may in certain situations (such as those specified in 33 CFR 209.170) accomplish the corrective measures by contract or otherwise and bill you for the cost.

6. Extensions: General Condition 1 establishes a time limit for the completion of the activity authorized by this permit. Unless there are circumstances requiring either a prompt completion of the authorized activity or a reevaluation of the public interest decision, the Corps will normally give favorable consideration to a request for an extension of this time limit.

Your signature below, as permittee, indicates that you accept and agree to comply with the terms and conditions of this permit.

Joseph K. Tannehill Sr.
(PERMITTEE) JOSEPH K. TANNERHILL SR.
CHAIRMAN PC/BAY COUNTY AIRPORT

August 16, 2007
(DATE)

This permit becomes effective when the Federal official, designated to act for the Secretary of the Army, has signed below.

Paul L. Grosskruger
(DISTRICT COMMANDER)
Paul L. Grosskruger
Colonel, U.S. Army

8-16-07
(DATE)

*Attachments to Department of the Army
Permit Number SAJ-2001-5264(IP-GAH)*

1. Department of the Army Permit Transfer Request: Page 12 of this permit instrument.
2. As-Built Certification by Professional Engineer: Pages 13 & 14 of this permit instrument.
3. Site location, extent of on-site wetlands, conceptual project phasing location and sequence, and compensatory mitigation areas: Attached "Sheets 1 through 7 of 41."
4. Phase 1 Construction Permit Drawings: Attached "Sheets 8 through 41 of 41."
5. *Panama City – Bay County International Airport Relocation Final Mitigation Plan (October 2006)*: Attached "Document A."
6. Financial Assurances: a) Standby Trust Fund Agreement: Attached "Document B."
b) Irrevocable Letter of Credit: Attached "Document C."
7. *Wildlife Management Program, Panama City – Bay County International Airport Relocation, September 2006*: Attached "Document D."
8. Construction and Post-Development Water/Sediment Quality and Biological Monitoring Plan for the Panama City – Bay County International Airport Relocation: Attached "Document E."
9. U.S. Fish and Wildlife Service's *Relocation of Panama City-Bay County International Airport (West Bay Alternative), Bay County, Florida, Biological Opinion, October 3, 2005, No. 4-P-06-006*: Attached "Document F."
10. Water Quality Certification Specific Conditions: Attached "Document G."
11. Conservation Easements: Attached "Document H."

DEPARTMENT OF THE ARMY PERMIT TRANSFER REQUEST

PERMIT NUMBER: SAJ-2001-5264(IP-GAH)

When the structures or work authorized by this permit are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. Although the construction period for works authorized by Department of the Army permits is finite, the permit itself, with its limitations, does not expire.

To validate the transfer of this permit and the associated liabilities associated with compliance with its terms and conditions, have the transferee sign and date below and mail to the U.S. Army Corps of Engineers, Panama City Regulatory Office, 475 Harrison Avenue, Suite 202, Panama City, FL 32401.

(TRANSFEREE-SIGNATURE)

(SUBDIVISION)

(DATE)

(LOT)

(BLOCK)

(NAME-PRINTED)

(MAILING ADDRESS)

(CITY, STATE, AND ZIP CODE)

AS-BUILT CERTIFICATION BY PROFESSIONAL ENGINEER

Submit this form and one set of as-built engineered drawings to Ms. Lisa Abernathy of the U.S. Army Corps of Engineers, Enforcement Branch, Post Office Box 4970, Jacksonville, Florida 32232-0019. If you have questions regarding this requirement, please contact the Enforcement Branch at 904-232-2070.

1. Department of the Army Permit Number: SAJ-2001-5264(IP-GAH)

2. Permittee Information:

Name _____

Address _____

3. Project Site Identification:
Physical location/address:

4. As-Built Certification:

I hereby certify that the authorized work has been accomplished in accordance with the Department of the Army permit with any deviations noted below. This determination is based upon on-site observation, scheduled and conducted by me or by a project representative under my direct supervision. I have enclosed one set of as-built engineering drawings.

Signature of Engineer

Name (Please type)

Florida Reg. Number

Company Name

Address

(Affix Seal)

City State ZIP

Date

Telephone Number

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Deviations from the approved plans and specifications (attach additional pages if necessary):