2006 RGP-86 and Ecosystem

Management Agreement Annual Report

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The St. Joe Company Ecosystem Management Agreement and SAJ-RGP-86 Annual Report 2006

As noted in the previous Annual Report, on November 10, 2005 the U.S. District Court granted a preliminary injunction which prevented any further authorizations under SAJ-RGP-86. That injunction was still in place by February 2006 when the last Federal hearing was conducted in Jacksonville. In November 2006, Judge Corrigan ruled in favor of SAJ-RGP-86. As of December 2006 the NRDC and Sierra Club had requested a stay of SAJ-86 that was subsequently denied January 31, 2007. For over a year, the tandem process to the Ecosystem Management Agreement was not in effect.

Subsequently, there were no full authorizations granted in 2006. Three projects were granted EMA authorizations but were subject to the IP process during the injunction. Two of the three projects with State authorizations still lack their corresponding federal authorizations and therefore do not represent complete projects that can be finalized in the GPEMA area ledger, until the federal authorizations are granted. They are included in the ledger using the EMA authorization information and proposed SAJ-86 project data. These projects will have their final status reported in the 2007 annual report.

This report tracks the three projects that obtained EMA authorizations in 2006. It also contains the 2006 Project Ledger, 2006 Subbasin Ledger and two monitoring reports for mitigation areas located within Conservation Units.

2006 Projects

Westbay Landings: A residential development located east of Hwy 79 and north of Powerline road. Total project acreage is 495 acres located in the Southwest Westbay subbasin. EMA authorization received May 5, 2006. Corps authorization is pending.

Pier Park Loop Road: A connector road between Hwy 98 and State Road 79. Total project acreage is 64.25 located in the Southwest Westbay subbasin. EMA authorization received January 4, 2006. Corps authorization is pending.

Beckrich Road Extension: A public access road for a Kindergarten through Eighth Grade public school. Located north of Hwy 98 and east of Home Depot. EMA authorization received November 28, 2006. GP-86 authorization received January 11, 2007.

None of these three had received final authorizations by the close of 2006. They are included in the ledger as pending or complete as of February 15, 2007. It is expected that all three will be reported as final in the 2007 Annual Report.

2006 Ledger

The 2006 Project table includes the three projects with EMA authorizations granted. Two of the ten subbasins within the EMA had active projects and wetland impacts. Once final authorizations are granted, the Southwest Westbay subbasin will have received a total of 1.9% of low quality wetlands impacted. This represents the combined impacts of Pier Park Loop Road plus Westbay landings applied against the original total of low quality wetlands within the Southwest Westbay subbasin, excluding the conservation unit acreage that occurs within the subbasin. Once final authorizations are granted, the Highway 98 subbasin will have received a total of .028% of low quality wetlands impacted. This represents the impacts of the Beckrich Road Extension applied against the total of low quality wetlands within the Highway 98 subbasin. There are no conservation units located in this subbasin to subtract out from the total. The developable area (totals of all subbasins, minus the conservation units) total of low quality wetlands was 6,892.63 at the end of 2005. After 2006, it is now 6,871.50 acres. The developable area total of high quality wetlands was 3,754.11, it is now 3,752.83. Of the 125 acres of allowable impact to high quality wetlands, to date, 2.18 acres have been used. The 2006 Subbasin Ledger and 2006 Project Ledger are attached.

2006 Subbasin Ledger

FIGURE 4:

2006 Subbasins

Subbasin	Change?	Tot_A	Tot_LQ	Tot_HQ	Tot_LQ_IMP	%*	Tot_HQ_IMP	%*	Tot_LQ_Remain	Tot_HQ_Remain
Highway 98	Y	1,850.11	1,020.49	234.08	0.3	0.028	0.01	0.004	1,020.19	234.07
Southwest Westbay	Y	3,315.62	1,085.27	738.48	20.83	1.9	1.27	0.17	1,064.44	737.21
Phillips Inlet	N	3,466.42	742.86	542.8	0	0	0	0	742.86	542.8
Direct Runoff Bay	N	2,746.60	1,084.36	576.84	0	0	0	0	1,084.36	576.84
Camp Creek	N	798.26	314.64	254.76	0	0	0	0	314.64	254.76
ICW	N	2,913.18	1,311.30	742.69	0	0	0	0	1,311.30	742.69
Intracoastal	N	338.54	74.37	119.47	0	0	0	0	74.37	119.47
Peach Creek	N	0.41	0	0.09	0	0	0	0	0	0.09
Ward Creek	N	2,202.83	1,156.81	520.78	0	0	0	0	1,156.81	520.78
West Laird Drain	N	274.95	102.53	24.12	0	0	0	0	102.53	24.12
								Total	6,871.50	3752.83

* % claculated from original total

2006 Project Ledger

FIGURE 3:	2006 Projects														
Permitting Basin	Subbasin	Project	Tot_Prj_Ac	HQ	HQ_IMP	LQ	LQ_IMP	WTL	UPL	Onsite_ CE	Offsite_CE	CU_MIT_CE	CU_CE	CR_MIT	Status
Breakfast Point	SWWB	Westbay Landings (EMA Authorization)*	(492)*	(86 68)*	(1 41)*	(111 02)*	(10 545)*	(197 66)*	(294 34)*	(185 71)*	n/a	n/a	(153)*	(8 15)*	Auth 5-May-06
Breakfast Point	SWWB	Westbay Landings (Corps Submittal)	495	86 64	1 27	113 53	10 7	200 17	294 83	188 2	n/a	n/a	154	8 13	GP Auth Pending
Breakfast Point	SWWB	Pier Park Loop (EMA Authorization)*	(64 25)*	(1 55)*	0	(16 65)*	(11 84)*	(18 2)*	(46 05)*	(6 36)*	(42 55)*	n/a	(20 01)*	(7 7)*	Auth 4-Jan-06
Breakfast Point	SWWB	Pier Park Loop (Corps Submittal)	58 25	1 55	0	14 94	10 13	16 49	41 76	6 36	35 71	n/a	18 09	6 58	GP Auth Pending
Breakfast Point	Hwy 98	Beckrich Extension	7 5	0 45	0 01	1 53	0 3	1 98	5 52	1 67	n/a	n/a	n/a	0 21	Complete (2007)
Totals			560 75	88 64	1 28	130	21 13	218 64	342 11	196 23	35 71	0	172 09	14 92	

*	See report narrative
Tot_Prj_Ac	Total Project Acres
HQ	High Quality Wetlands
HQ_IMP	High Quality Wetland Impacts
LQ	Low Quality Wetlands
LQ_IMP	Low Quality Wetland Impacts
UPL	Uplands
Onsite_CE	Onsite Conservation Easements
Offsite_CE	Offsite Conservation Easements
CU_MIT_CE	Conservation Unit Mitigation Conservation Easement
CU_CE	Conservation Unit Conservation Easement
N/A	Not Applicable

2006 Conservation Easements

Because two of the projects have not received their Federal authorizations as of 2007, the conservation easements associated with those projects have not been executed as of the end of 2006. The Beckrich Road Extension had obtained both authorizations as of January 2007 and as of this report the conservation easement obligations for this project are in process. The Watersound North project is in the process of a modification due to the timelag of litigation, injunction and unknown status. The amount to be placed under conservation for Loop Road, Westbay Landings and Beckrich Road Extension is included in the ledger as pending. Essentially these actions will fall under the reporting requirements for 2007 and be entered as completed in the 2007 annual report.

Mitigation and Banks

Banks

While the 2005 growing season was seriously affected by five major tropical storms and hurricanes, 2006 was affected by a drought severe enough to warrant County issued burn bans in Bay and Walton Counties. The bans were in effect from June 6-August 15, 2006 which affected operations for most of the growing season. Using adaptive management, activities went forward that accomplished a sizable amount of work at both Breakfast Point and Devils Swamp Mitigation Banks. Tasks at Breakfast Point covered by sections III-D, III-E, III-F and III-G have been completed for Phase 1. Release activities covered by sections III-D and III-E have been completed for Phase 2. For DSMB, release activities covered by sections III-D, III-E, have been completed and are pending credit release for Phases 1 and 2. A current ledger for both banks is attached.

Mitigation and Banks

Other Mitigation

First year baseline was collected for the Lake Powell Headwaters Conservation Unit (LPHCU). Due to the litigation concerning SAJ-86, only a portion of development occurred. With project status in limbo, the level of mitigation commensurate with impacts was initiated at the LPHCU for Watersound North. Monitoring was completed for the Panama City Beach Commerce Park mitigation area within the South American Swamp Conservation Unit (SASCU).

As allowed by SAJ-86 and the EMA, Conservation units may be used for mitigation activities such as ecological restoration of upland and wetland habitats within the Conservation Unit. Alf Coleman Southeast continued restoration activities in the Southwest Westbay Conservation Unit (SWWBCU) in 2006. The burn ban in effect for Bay County limited burning, however the site was mechanically treated to reduce fire suppressed vegetation.

Mitigation and Banks

Breakfast Point Mitigation Bank
FDEP Permit Number 0227473-001
29 January 2007

Name	Release Mod / Impact Permit #	Issuing Agency	Ledger Modification	Credits Added	Credits Used	Balance
BPMB	Release Phase I	FDEP	3-17-2006	16.63		16.63
BPMB	Release Phase II	FDEP	3-17-2006	67.69		76.29
NG	03-0233723-002-EA	FDEP	3-27-2006		8.6	67.69
HW	03-244084-002-EA	FDEP	3-28-2006		6.48	61.21
PCBCP	03-0209847-005-EA	FDEP	3-29-2006		6.28	54.93
BRE	03-270076-003-EA	FDEP	1-29-2007		0.21	54.72

Mitigation and Banks

Breakfast Point Mitigation Bank
U.S. Army Corps of Engineers # SAJ-2004-1865 (NW-GAH)
29 January 2007

Name	Release Mod / Impact Permit #	Issuing Agency	Ledger Modification	Credits Added	Credits Used	Balance
BPMB	Release Phase I	COE		16.63		16.63
BPMB	Release Phase II	COE		59.66		76.29
NG	SAJ-2004-8077	COE			8.6	67.69
HW	SAJ-2004-10294	COE			6.48	61.21
PCBCP	SAJ-2004-3965	COE			6.28	54.93
WTRFL	SAJ-2004-7095	COE			1.5	53.43
FBPTR	SAJ-2004-8222	COE			0.8	52.63
PPD	SAJ-2004-8221	COE			0.32	52.31
BRE	SAJ-2006-6671	COE			0.21	52.10

Mitigation and Banks

Devil Swamp Mitigation Bank
Permit Number 0227475-001

Total Potential Credits = 526.8*

Impact Permit # (or Release Mod)	Project Name	Issue Date	Mod Date	Issuing Agency	Credits Available	Credits Released	Credits Withdrawn	Balance
######				DEP	46.3	46.3	0	46.3*

Assumptions:
- Low quality wetlands will be offset using a 0.65 : 1 ratio in DSMB.
- High quality wetlands will be offset using a 0.92 : 1 ratio in the DSMB.
- On-site or within-conservation unit mitigation is not included here because it is planned on a per-project basis.

* = PENDING: Conservation Easement and Financial Assurances Tasks have been completed and are under FDEP Review.

Figure 3
2005 to Present
Projects & Conservation Easements
Legend
Projects
Highway
Major Road
Pending Conservation Easements
Conservation Easements
GP Boundary
Drainage Basins
Conservation Units
N
W
E
S
0 1,000 2,000 4,000 6,000 8,000
Feet
WEST LAKE DRAIN
PHILLIPS INLET
WARD CREEK SUB-BASIN
SOUTH WEST WEST BAY SUB-BASIN
South American Swamp Conservation Unit
South West West Bay Conservation Unit
Loop Road
Waterway Landing
DIRECT RUNOFF TO BAY
BASIN BAYOU
Breakfast Point – Phase II
Breakfast Point – Phase I
SOUTHEASTERN BAYOU
HAMMOCK BAYOU
Panama City Beach
HIGHWAY 98 SUB-BASIN
TEN MILE BRANCH
MAPLINE CREEK
Devils Swamp Phase II
Devils Swamp Phase I
WESTBAY CREEK
DIRECT RUNOFF TO BAY
SAND CREEK