



US Army Corps
of Engineers
St Paul District

SPONSORS: EIP Credit Co, LLC
Itasca County

Public Notice

ISSUED: November 4, 2014

EXPIRES: December 4, 2014

REFER TO: 2011-03110-WAB

SECTION:404 - Clean Water Act

1. PROPOSED MODIFICATION OF MITIGATION BANK INSTRUMENT

2. SPECIFIC INFORMATION.

SPONSOR'S ADDRESS: EIP Credit Co LLC
2002 Clipper Park Road
Suite 201
Baltimore, MD 21211

Itasca County Land Department
1177 LaPrairie Ave.
Grand Rapids, MN 55744

SPONSOR'S AGENT: Deric Deuschle
SEH
3535 Vadnais Center Dr
St. Paul, MN 55110-5196

PROJECT LOCATION: The project site is located in Sections 3 & 4, T144N, R25W, and Section 32, T145N, R25W, Itasca County, Minnesota (see Figure 1).

BANK SERVICE AREA: The service area for this bank is bank service area 5, the Mississippi River headwaters.

BACKGROUND: The EIP Credit Co LLC (EIP) Mississippi Mitigation Bank I (the Bank) was initiated in 2009 as the Haywire Point Wetland Bank, and was approved with an initial 43.29 acre phase I. In 2011, the site was expanded to include the remainder of the farmed portions of the AG for Waterfowl property, and was a joint application with Itasca County. The 2011 application revision included 444.64 acres of land owned by AG for Waterfowl, and 32.26 acres owned by Itasca County (total 476.90 acres). The 2011 expansion of the Bank was approved in 2012, and provided 414.10 credits for EIP and 28.67 credits for Itasca County (total 442.77 credits). Following approval of the bank, the ownership of the AG for Waterfowl portions were transferred to EIP Minnesota LLC.

Construction of the Bank was completed in three phases in 2011, 2012, and 2013. All three phases are being actively monitored. Credit releases have been approved for all phases of the EIP portion of the Bank.

DESCRIPTION OF PROPOSED MODIFICATION: The Sponsors are proposing to modify the instrument in order to add 39.65 acres to the northwest portion of the Bank site. The additional acreage would include areas of coniferous bog wetland and upland buffer (Figure 2). A web-accessible

electronic copy of the Wetland Bank Plan submitted by the Sponsor's agent in support of the proposed modification prospectus is available on the Regulatory and In-Lieu Fee Bank Information Tracking System (RIBITS) at: <http://ribits.usace.army.mil>

The modification will fully restore hydrology to the areas north of the existing bank boundary through removal of all remaining drainage ditches. While the majority of the hydrology has been restored with the previous bank construction, these are areas where the ditches remain functional.

The remaining ditches will be disabled by either completely filling them flush with the adjacent landscape, or blocking them so they are no longer functional. These ditches do not have defined adjacent dikes, but do contain some spoil material. This spoil material will be used with additional material from within the site to provide for the complete disabling of the ditches. Consistent with activities in other phases of the bank development, no seeding is proposed, as the native seed bank has been demonstrated to be sufficient to restore the vegetation. The extent of the ditch removal is indicated on Figure 3.

Small areas of reed canary grass and buckthorn are present along the ditches proposed to be removed. This area is limited but could spread when the area is disturbed as part of the restoration. Herbicide applications are proposed during construction, and will be incorporated into the Bank's management plan so that subsequent treatment can occur as needed.

Crediting for restoration via rehabilitation of the coniferous bog is proposed at a ratio of 3:1, to reflect that the hydrology restoration will benefit the entire bog, but is most pronounced in approximately one third of the site. Under the proposed 3:1 crediting ratio, the 32.5 acres of coniferous bog would generate 10.73 credits. Credits would be established as coniferous bog (Type 8).

Crediting for upland buffer is proposed at a ratio of 4:1. Upland buffer would be required to remain dominated by native species, and the applicant will include the upland buffers within the annual monitoring to verify that these areas continue to qualify. The upland buffer would be placed under a protective conservation easement, which will protect them in perpetuity. Under the proposed 25% crediting ratio, the 10.73 acres of upland buffer would generate 1.79 credits. Credits derived from upland buffer would be represented in the bank ledger as wetland credits and apportioned relative to the types of adjacent wetlands.

The proposed modification would add an additional 12.52 credits to the bank once performance standards have been met. The proposed crediting for the areas proposed to be added to the bank are consistent with those proposed under the Minnesota Conservation Act. An updated summary of the potential credits from this bank, including those resulting from the proposed modification, is provided in Table 1.

The Sponsor has proposed the following release schedule for the credits that would be generated through the proposed modification. The schedule would coincide with the anticipated monitoring and credit releases from the existing portions of the bank.

- 1) Up to 50% of total credits (6.26 credits) upon WCA approval, IRT approval of the MBI, and filing of deed of restrictions and covenants and purchase of title insurance (2014).

Operations - Regulatory (2011-03110-WAB)

- 2) Up to 30% additional credits (3.76 credits) after Sponsor submission and approval of annual monitoring report (2015).
- 3) Up to 20% additional credits (2.50 credits) after Sponsor submission and approval of annual monitoring report (2016).

COORDINATION WITH RESOURCE AGENCIES: The proposed modification is being coordinated with the following members of the Interagency Review Team (IRT) and other resource agencies: U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service, Minnesota Department of Natural Resources, Minnesota Board of Water and Soil Resources, and the Itasca County SWCD.

3. REPLIES/COMMENTS.

Interested parties are invited to submit to this office written facts, arguments, or objections within 30 days of the date of this notice. These statements should bear upon the suitability of the location and the adequacy of the project and should, if appropriate, suggest any changes believed to be desirable. Comments received will be forwarded to the bank sponsor.

Replies may be addressed to Regulatory Branch, St. Paul District, Corps of Engineers, 180 Fifth Street East, Suite 700, Saint Paul, MN 55101-1678.

Or, IF YOU HAVE QUESTIONS ABOUT THE PROJECT, call Bill Baer at the Bemidji office of the Corps, telephone number (651) 290-5338.

To receive Public Notices by e-mail, go to: http://mvp-extstp.mvp.usace.army.mil/list_server/ and add your information in the New Registration Box.

4. FEDERALLY-LISTED THREATENED OR ENDANGERED WILDLIFE OR PLANTS OR THEIR CRITICAL HABITAT.

None were identified by the bank sponsor or are known to exist in the action area. However, Itasca County is within the known historic range for the following Federally-listed species:

Northern Long-Eared Bat (P)	Hibernates in caves and mines – swarming in surrounding wooded areas in autumn. Roosts and forages in upland forests during spring and summer.
Canada lynx (T) <i>Lynx canadensis</i>	Northern forested areas

This notice is being coordinated with the U.S. Fish and Wildlife Service. Any comments it may have concerning Federally-listed threatened or endangered wildlife or plants or their critical habitat will be considered in our final assessment of the described work.

5. JURISDICTION.

This application is being reviewed in accordance with the practices for documenting Corps jurisdiction

under Sections 9 & 10 of the Rivers and Harbor Act of 1899 and Section 404 of the Clean Water Act identified in Regulatory Guidance Letter 07-01. We have made a ***preliminary determination*** that any aquatic resources that would be impacted by the proposed project are regulated by the Corps of Engineers under Section 404 of the Clean Water Act. Our jurisdictional review and final jurisdictional determination could result in modifications to the scope of the project's regulated waterbody/wetland impacts. Because this project is a mitigation bank, any required compensatory mitigation would be accounted for in the credit yield calculations. Any discharges of dredged or fill material into a water of the United States associated with implementation of a final approved bank plan would require a Department of the Army. Any ***approved jurisdictional determination*** needed will be made prior to reaching a decision, and will be posted on the St. Paul District web page at <http://www.mvp.usace.army.mil/Missions/Regulatory.aspx>.

6. HISTORICAL/ARCHAEOLOGICAL.

The Corps will review information on known cultural resources and/or historic properties within and adjacent to the proposed bank expansion area. The Corps will also consider the potential effects of the project on any properties that have yet to be identified. The results of this review and the Corps' determination of effect will be coordinated with the State Historic Preservation Officer independent of this public notice. Any adverse effects on historic properties will be resolved prior to the Corps authorization, or approval, of the work in connection with this project.

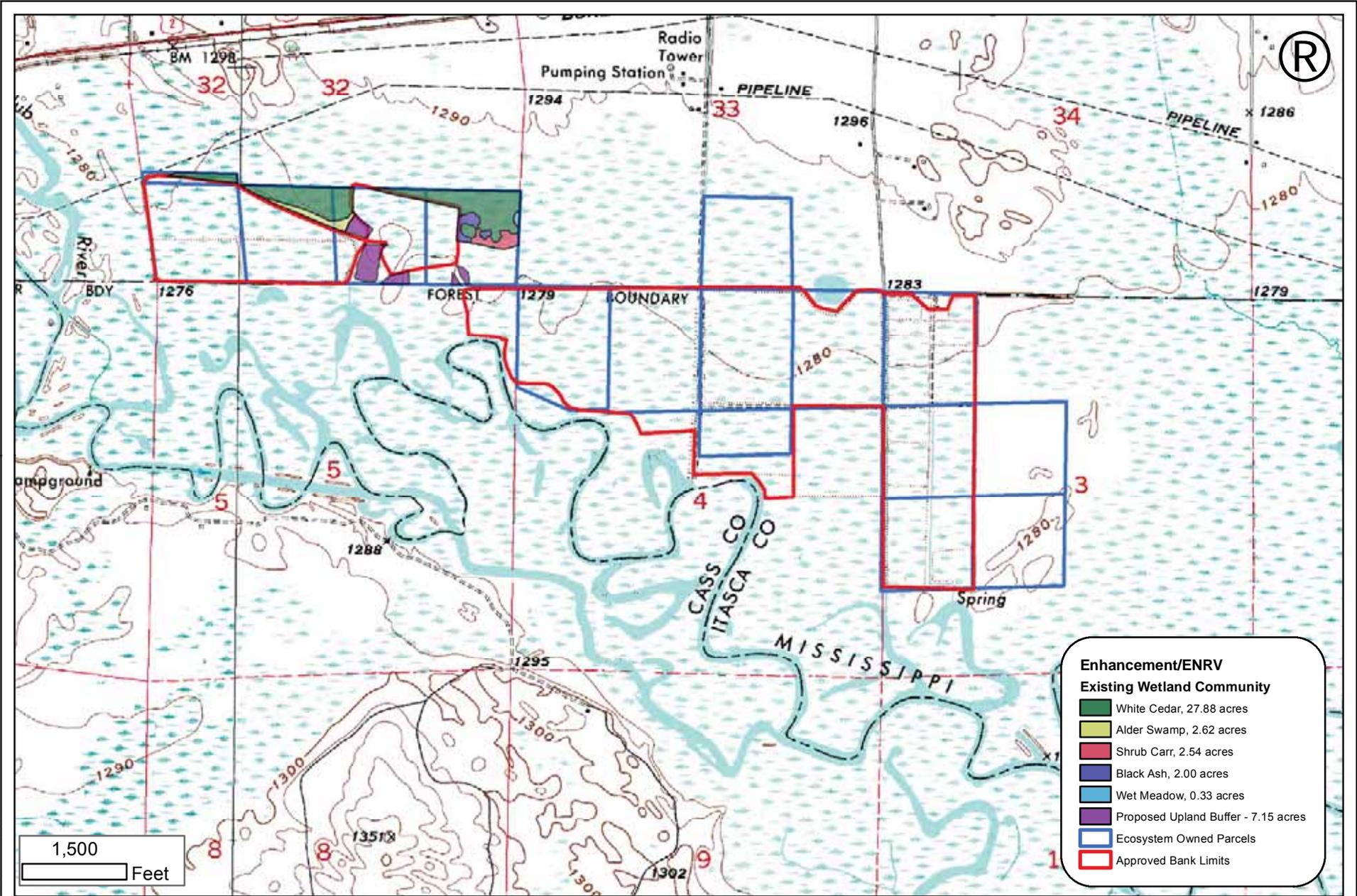
7. PUBLIC HEARING REQUESTS.

Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, in detail, the reasons for holding a public hearing. A request may be denied if substantive reasons for holding a hearing are not provided or if there is otherwise no valid interest to be served.

Tamara E. Cameron,
Chief, Regulatory Branch

Enclosure(s)

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1,500 Feet

- Enhancement/ENRV Existing Wetland Community**
- White Cedar, 27.88 acres
 - Alder Swamp, 2.62 acres
 - Shrub Carr, 2.54 acres
 - Black Ash, 2.00 acres
 - Wet Meadow, 0.33 acres
 - Proposed Upland Buffer - 7.15 acres
 - Ecosystem Owned Parcels
 - Approved Bank Limits



3535 VADNAIS CENTER DR.
ST. PAUL, MN 55110
PHONE: (651) 490-2000
FAX: (651) 490-2150
WATTS: 800-325-2055
www.sehinc.com

Project: ECOSY 127162
Print Date: 7/15/2014
Map by: drd
Projection: UTM NAD83
Source: HIG

USGS Topographic Map

Ecosystem Investment Partners Deer River Wetland Bank
Wetland Bank Plan Modification No. 1

Figure 1

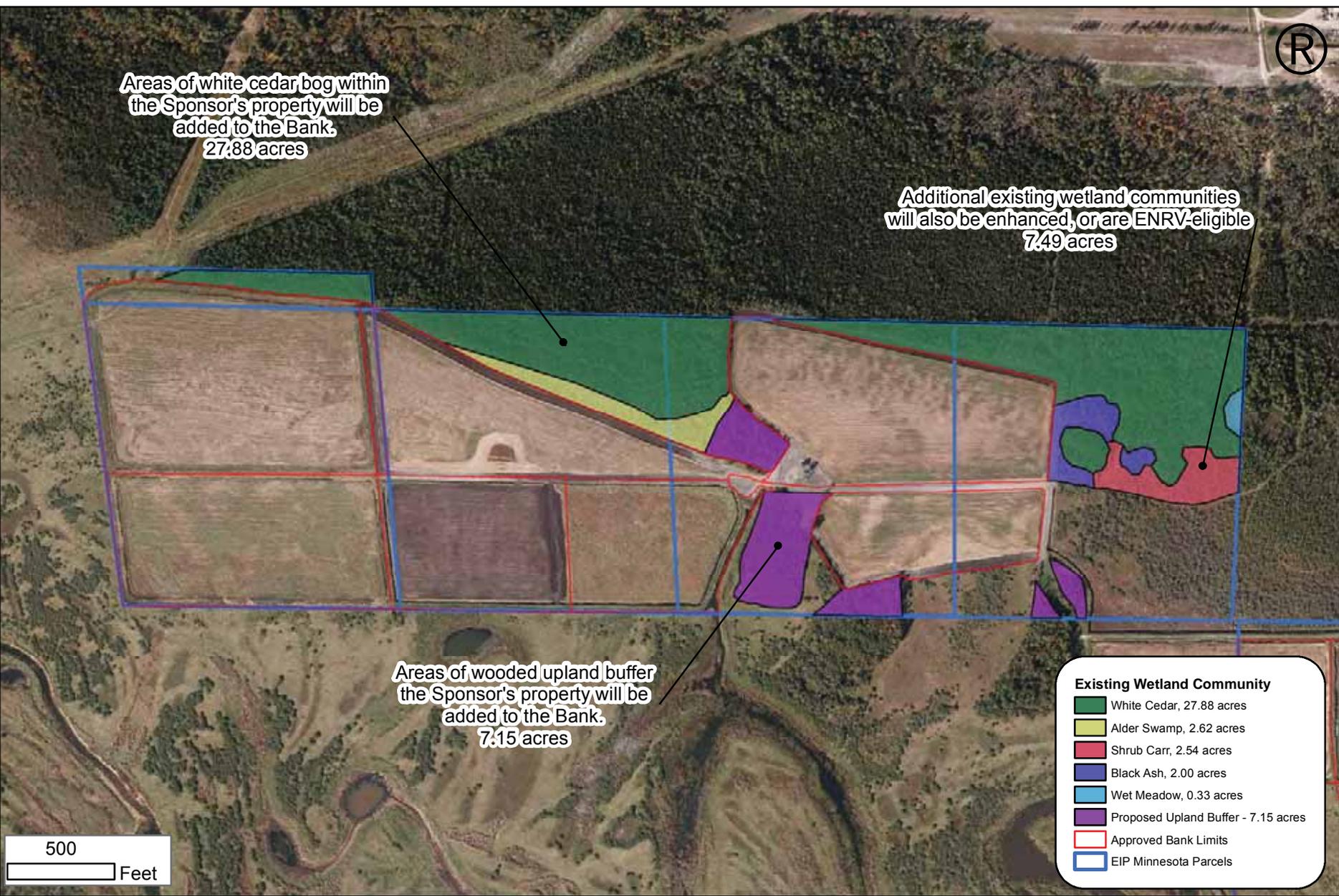
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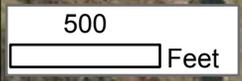
Areas of white cedar bog within the Sponsor's property will be added to the Bank.
27.88 acres

Additional existing wetland communities will also be enhanced, or are ENRV-eligible
749 acres

Areas of wooded upland buffer the Sponsor's property will be added to the Bank.
7.15 acres



Existing Wetland Community	
	White Cedar, 27.88 acres
	Alder Swamp, 2.62 acres
	Shrub Carr, 2.54 acres
	Black Ash, 2.00 acres
	Wet Meadow, 0.33 acres
	Proposed Upland Buffer - 7.15 acres
	Approved Bank Limits
	EIP Minnesota Parcels



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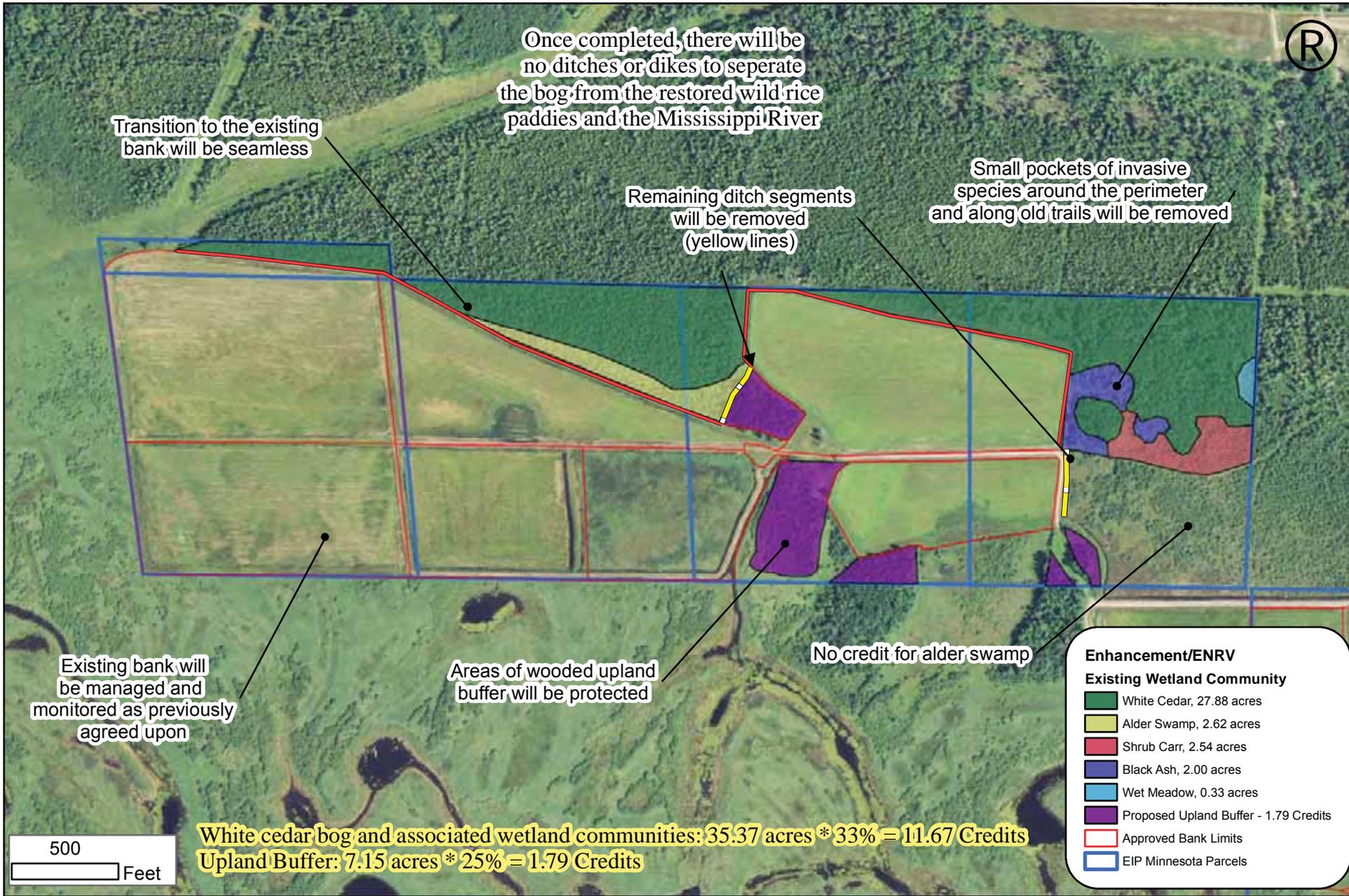
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Proposed Bank Expansion
Ecosystem Investment Partners Deer River Wetland Bank
Wetland Bank Plan Modification No. 1

Figure
2

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Proposed Actions to Restore Hydrology

Ecosystem Investment Partners Deer River Wetland Bank
Wetland Bank Plan Modification No. 1

Figure 3

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Table 1: Summary of Approved and Proposed Wetland Credits

Type of Wetland	Acres	Type of Compensation	Projected Credits
Approved Credits			
Wet Meadow (Type 2)	148.22 acres	Restoration	138.04 credits
Sedge Meadow (Type 2)	148.21 acres	Restoration	138.04 credits
Emergent Marsh (Type 3)	148.21 acres	Restoration	138.03 credits
Approved Total	444.64 acres		414.10 credits
Proposed Credits			
Coniferous Bog (Type 8)	32.50 acres	Enhancement	10.73 credits
Upland Buffer	7.15 acres	Buffer	1.79 credits
Proposed Total	39.65 acres		12.52 credits
Total	484.29 acres		426.64 credits