

Chapter 7: Mitigation Donation Annual Report

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INTRODUCTION

This information is specific to two mitigation projects: Corkscrew Regional Ecosystem Watershed (CREW), located in Lee and Collier counties, and Pennsuco, in Miami-Dade County, for Fiscal Year 2007 (FY2007) (October 1, 2006 through September 30, 2007). In accordance with Chapter 373.414(1)(b)(2), Florida Statutes, this report provides a description of the two endorsed mitigation projects, including the available mitigation fund balance, expenditures during this time frame, and where applicable, success criteria, monitoring, and long-term management activities. The two mitigation sites no longer accept mitigation funds as a means of offsetting wetland impacts, but they continue as expenditure sites.

CORKSCREW REGIONAL ECOSYSTEM WATERSHED

CREW is a vast project covering approximately 60,000 acres in Lee and Collier counties (Figure 7-1). The CREW lands contain some of the largest remaining pristine cypress wetlands in the United States, providing habitat to a number of rare, threatened, and endangered species. In June 1995, the District began accepting cash payments in CREW as a form of mitigation to offset impacts to wetlands. Mitigation funding provides land acquisition, chemical treatment of exotics, hydrologic enhancement, monitoring of restoration progress and management through security control and prescribed burning.

The associated environmental benefit of land acquisition in CREW contributes to corridor building and improved wildlife habitat for threatened and endangered species. Conservation and protection of water resources in CREW also provide improved water quality and flood protection.

ACQUISITION

The Summary of Wetlands Mitigation Balances by Project (also referred to as the financial summary report), dated September 30, 2007, prepared by the South Florida Water Management District (SFWMD or District) Accounting and Financial Services Division, indicates a balance of \$143,710 available in the CREW land acquisition fund. During FY2007, \$339,890 was expended for land acquisition and associated costs in CREW, including \$250,000 for a 5-acre parcel, \$250 for title, \$7,400 for appraisals, \$77,220 for attorney fees, \$2,978 for expert fees, and \$2,042 for staff support of these transactions. In addition, an amount of \$803,102 was transferred out of the CREW land acquisition account toward purchase of 22.6 acres for lands acquired in a prior fiscal year, pursuant to District Governing Board approval. Table 7-1 provides a summary of the mitigation lands acquired to date within the CREW boundary. Also, during FY2007, there was a donation to the SFWMD from Bonita Bay Properties of a 430-acre tract and \$483,600 for acquisition associated costs, as part of a Collier County transfer of development rights program.

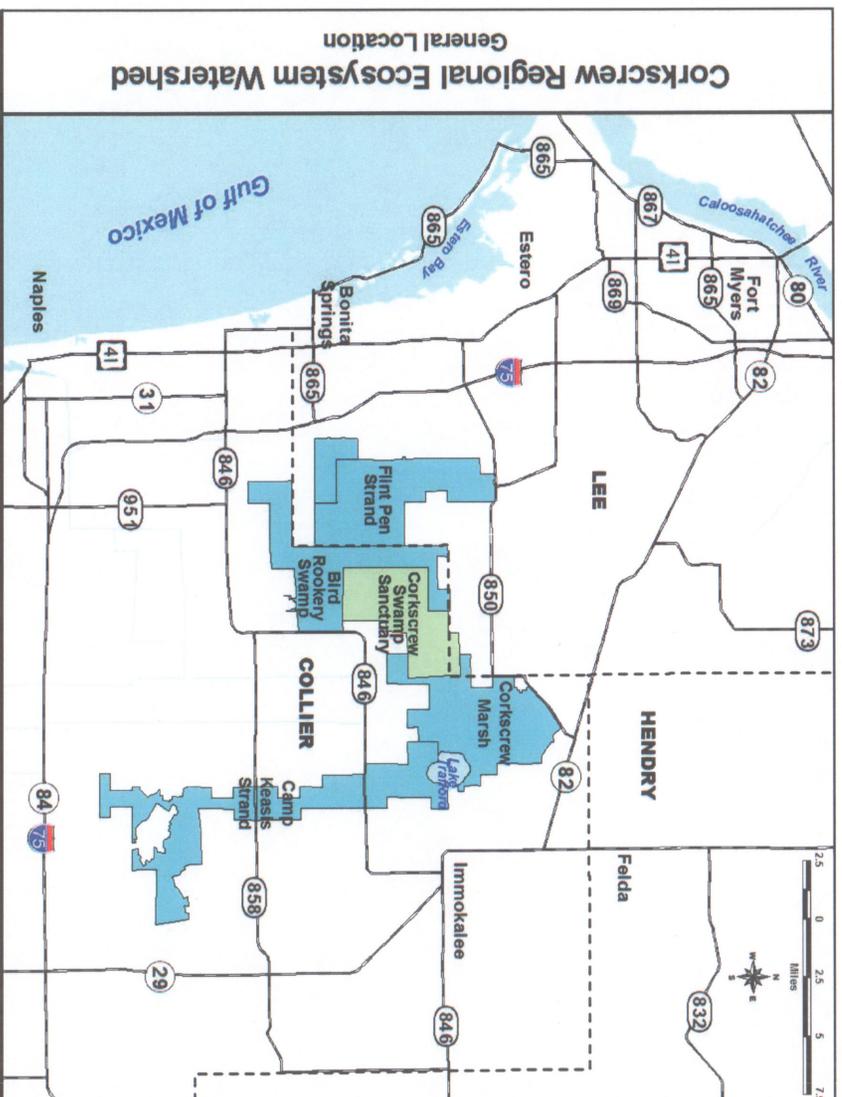


Figure 7-1. Location of the Corkscrew Regional Ecosystem Watershed (CREW).

RESTORATION

The financial summary report indicates an available balance of \$1,369,883 on September 30, 2007 in the restoration fund. During FY2007, the District expended \$232,084 for contractual services in the initial and follow-up treatment of exotic species such as melaleuca, Brazilian pepper, downy rose myrtle, *Lygodium*, and wedelia on 1,678 acres in CREW. In addition to exotic control costs, other restoration expenditures included \$10,757 for staff support of contractors and \$8,500 for contractual services to support monitoring of restoration projects. The total restoration expenditures were \$251,341. For FY2008, \$250,000 is budgeted for exotic removal, \$1,000 for chemicals, \$25,000 for demolition and cleanup, \$7,000 for construction materials associated with maintenance activities, \$80,000 for vegetation management, \$50,000 for security patrol by the Florida Fish and Wildlife Conservation Commission (FWC), \$14,014 for ground cover restoration, and \$8,500 for continued monitoring of restoration projects. In addition, an amount of \$31,898 was transferred out of the CREW restoration account in order to partially fund the cost of lands purchased in a previous fiscal year, pursuant to District Governing Board approval. During FY2007, the donation of a 430-acre tract to the SFWMID from Bonita Bay Properties provided \$1,135,600 in restoration revenue.

Table 7-1. CREW acquisition parcels using mitigation funding as of September 30, 2007.

Tract	Acreage	Cost	Location
001-002	237.4	\$200,840.40	R27, T45, S13
003-488	40.0	\$61,000	R26, T47, S24
003-765	5.0	\$20,000	S35
003-757	5.0	\$20,000	"
003-776	5.0	\$20,000	"
003-761	5.0	\$20,000	"
003-766	5.0	\$20,000	"
003-758	5.0	\$20,000	"
003-772	5.0	\$20,000	"
003-804	25.0	\$45,000	S21
003-805	2.5	\$4,500	"
003-806	5.0	\$9,000	"
003-807	2.5	\$4,500	"
003-808	2.5	\$4,500	"
003-809	2.5	\$4,500	"
003-815	185	\$333,000	S22 & 27
003-816	10	\$10,500	S22
003-826	30	\$54,000	S24
003-828	5.0	\$9,000	"
003-829	65.76	\$117,000	"
003-833	2.5	\$4,500	S21
003-760	5.0	\$130,000	S35
003-755	10.0	\$45,000	"
001-038	283.49	\$992,983.99	R27, T46, S35
100-005	20.00	\$250,000	R26, T47, S31
003-234	5.0	\$17,000	S27
003-245	5.0	\$12,500	"
003-256	5.0	\$23,000	"
003-277	5.0	\$23,000	"
003-278	5.0	\$23,000	"
003-302	5.0	\$17,000	"
003-304	5.0	\$23,000	"
003-307	5.0	\$23,000	"
003-308	5.0	\$23,000	"
003-325	10.0	\$25,000	S28
003-358	10.0	\$25,000	S28
003-302	5.0	\$17,000	S27
003-226	5.0	\$23,000	S27
003-896	5.0	\$17,500	S22
003-957	5.0	\$18,750	S28
005-017	5.0	\$250,000	S32
09-003-774	11.2	\$417,500	S35
09-003-777	11.4	\$417,500	S35
Total	1,081.75	\$3,815,574	

During FY2007, \$8,500 was expended on the monitoring of four CREW restoration sites: Tree Wizard, Bird Rookery Swamp, Youngquist, and East Corkscrew Marsh. This expenditure was used to document vegetative change in response to hydrologic improvements, ground cover

restoration, exotic plant control, and revegetation activities. Restoration progress is measured by the reduction of exotic species and recruitment of target native species within the four sites (Figure 7-2). The four sites are in various stages of site preparation, exotic removal and treatment, revegetation, and hydrologic restoration. Other factors that were monitored include water level and/or soil saturation, observed aquatic macrofauna, wildlife utilization, and/or indicators of wildlife (i.e., tracks, scat) at randomly located plots within the three larger sites, and at plots along a single transect on the 10-acre Tree Wizard site. During FY2007, the District's contractor, KCI Technologies Inc., submitted its seventh (December 2006) and eighth (June 2007) semiannual monitoring reports. The last monitoring report indicated small improvements in vegetative composition including decreases in exotic torpedo grass and Bermuda grass and an increase in native foxtail grass.

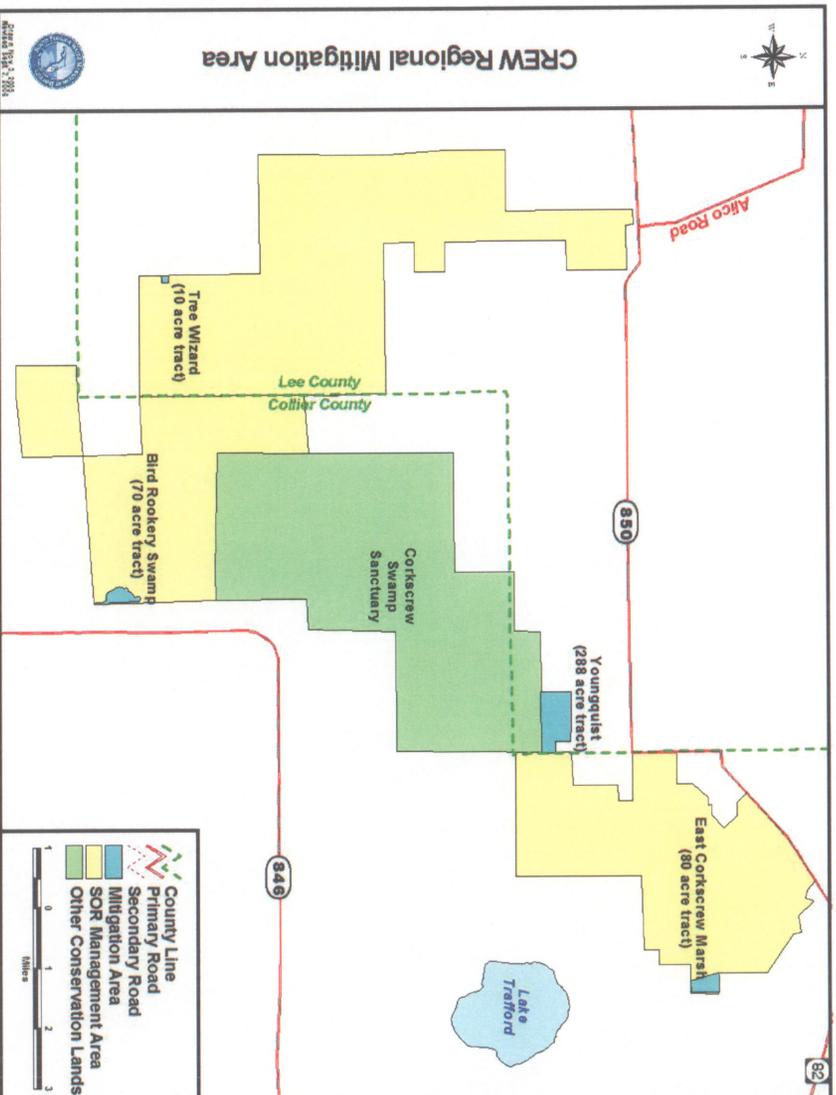


Figure 7-2. CREW monitoring sites.

MANAGEMENT

The financial summary report indicates that as of September 30, 2007, a balance of \$171,177 interest earned on the corpus amount is available for use toward management activities. The interest on the land acquisition and restoration account is \$489,903, which can be used toward land acquisition, restoration, or management. The total funding available as interest is \$661,081.

PENNSUCCO

The Pennsuco Regional Mitigation Area in Miami-Dade County is part of the Pennsuco Wetlands, or Cell 26 (**Figure 7-3**) of the East Coast Buffer (ECB). Pennsuco Wetlands/Cell 26 covers an area of approximately 13,000 acres in Miami-Dade County. Pennsuco is located between the Dade-Broward Levee, Krome Avenue (State Road 997), and the Tamiami Trail (U.S. 41).

In 1995, the SFWMD began using Pennsuco as a regional off-site mitigation area, allowing permit applicants to make mitigation contributions for the acquisition, enhancement, and long-term management of Pennsuco lands as compensation for permitted wetland impacts. Although the developers' mitigation obligation was met in July 2002 and Pennsuco was no longer available as a mitigation option for developers with impacts to wetlands, Pennsuco acquisition, restoration and long-term management continues as a mitigation option for Lake Belt miners under legislation adopted in s. 373.4149(1), Florida Statutes authorizing the mitigation fee and its use. The environmental benefit provides protection, enhancement, and management of the floral, faunal, and hydrologic resources of Pennsuco parcels. Pennsuco emphasizes the enhancement of a degraded ecosystem that likely will continue to degrade and further impact adjacent natural areas unless actions are taken to reduce the spread of exotics. The enhancement of Pennsuco has the potential to yield regional ecological benefits and contribute to the goals of the Everglades restoration.

ACQUISITION

During FY2007, no mitigation funds were used from the acquisition account, because during FY2005, the land acquisition account and interest on the land and restoration account were fully debited to satisfy the acquisition obligation. The financial summary report indicates that for the period ending September 30, 2007, a balance of \$0 is available in the Pennsuco land acquisition fund. **Table 7-2** summarizes acquisition to date in Pennsuco.

RESTORATION

The treatment program involves a multiyear herbicidal and manual removal program with a follow-up controlled burn. At the end of year five, it is expected that the melaleuca can be controlled by routine maintenance through use of the long-term management fund. Land managers conduct semiannual aerial and on-ground monitoring to evaluate exotic treatments and provide timely, adaptive follow-up treatment.

The financial summary report indicates a balance of \$4,326,498 available on September 30, 2007. During this reporting period, the District expended \$838,124 for contractual services and \$160,036 for chemicals in the initial and follow-up treatment of 5,466 acres of exotics. In addition to exotic control costs, other restoration expenditures included staff support of contractors for \$395. A summary of the tracts with exotic treatments to date and plans for FY2008 are provided in **Figure 7-4**. A visual depiction of the response of vegetation over time is shown in **Figure 7-5**.

During this reporting period, KCI submitted its ninth (December 2006) and tenth (June 2007) semiannual monitoring reports, which evaluate the treatment efforts. The monitoring requires qualitative and quantitative assessments that document the success of the vegetative restoration, reduction of exotic species, and recruitment of target native species — sawgrass in particular. Water level and/or soil saturation, observed aquatic macrofauna, wildlife utilization, and/or indicators of wildlife (i.e., tracks, droppings) were also recorded. The latest monitoring report

indicates that melaleuca is under control, representing only three percent of the vegetation in 2007. Natural Everglades vegetation now dominates the site with sawgrass the most abundant species but a healthy mix of other native wetland plants exists. Funding of \$8,060 to support this effort was debited from the restoration account.

Due to a \$0 fund balance in the Pennsuco acquisition account and efficiencies in conducting exotic treatments such that a surplus of restoration funds are available over and above what is required to complete the ongoing treatments, the District Governing Board authorized funding \$261,241 for the acquisition of four parcels in the L-31 North Project totaling 9.58 acres. In addition, \$138,760 was used to purchase title insurance on these parcels. The total acquisition funding out of Pennsuco restoration dollars was \$400,001.

The total restoration expenditure in FY2007 was \$1,406,617. For FY2008, in Pennsuco \$1,000,000 is budgeted for exotic removal and \$8,060 for continued monitoring of restoration projects. Due to efficiencies in conducting exotic treatments in Pennsuco, in FY2008, a surplus of available funds have been directed to fund projects outside Pennsuco, including \$156,875 for security surveillance, \$210,000 for demolition and cleanup, and \$605,000 for exotic control. The total funding out of Pennsuco restoration in FY2008 will total \$1,979,935.

MANAGEMENT

According to the financial summary report, \$831,414 was available as interest from the corpus amount as of September 30, 2007. Utilization of monies from this fund will commence when initial and follow-up exotic treatments are completed and the entire project is at a maintenance level for treatment. Additionally, \$1,281,581 in the acquisition and restoration interest account is available for acquisition, restoration, or management. The total funding available as interest is \$2,112,995.

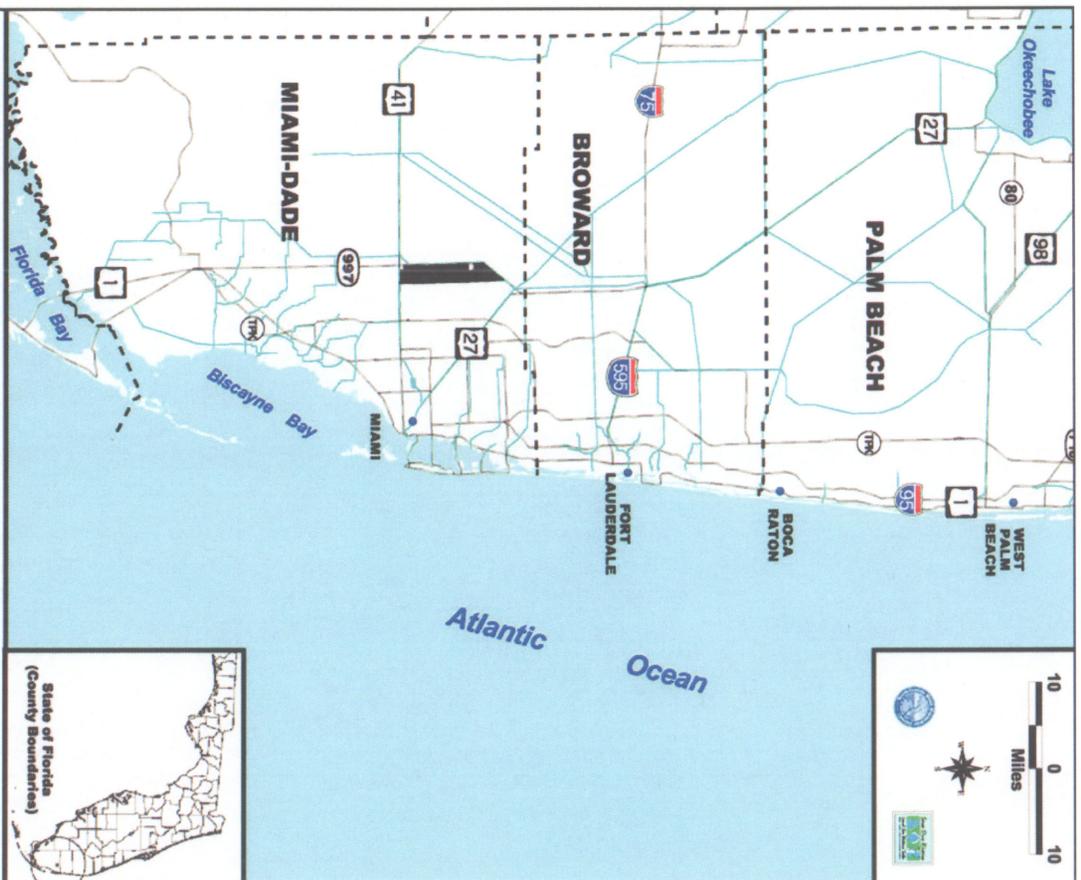


Figure 7-3. Location of the Pennsuco Regional Mitigation Area.

Table 7-2. Pennsuco acquisition using developers' mitigation funding (211) as of September 30, 2007.

Tract Number	Acreage Acquired	Mitigation Funded	% of Tract
300-932	482.50	\$868,500	100%
300-912	160	\$400,000	50%
300-913	320	\$800,000	100%
301-916	160	\$400,000	50%
301-917	120	\$300,000	50%
300-962	160	\$400,000	50%
304-973	320	\$800,000	100%
304-940	5.0	\$15,000	100%
304-941	10.0	\$30,000	100%
304-952	10.0	\$30,000	100%
305-967	5.0	\$15,000	100%
306-920	10.0	\$30,000	100%
305-951	1.36	\$4,800	100%
306-926	2.5	\$8,750	100%
305-968	5.0	\$15,000	100%
305-915	1.44	\$5,100	100%
305-912	5.0	\$15,000	100%
305-956	.68	\$2,400	50%*
305-957	.68	\$2,400	50%*
305-927	2.045	\$7,150	50%*
300-919	40	\$100,000	50%*
303-965	5	\$15,000	50%*
**	407.2	\$2,011,750	**
300-964	120	\$1,800,000	100%
304-934	60	\$900,000	100%
B7100093***	2.5	\$60,315	100%
B7100073***	2.08	\$51,804	100%
B7100094***	2.5	\$60,315	100%
B7100095***	2.5	\$88,807	100%
Total	2,422.985	\$9,237,091	

* Lands acquired with 50% miners' mitigation funds and 50% developers' mitigation; acreage represented is amount acquired with fund 211 only.

** 56 parcels total, with federal share contributing 50% of the acquisition price on 40 of these parcels – indicated in bold italics. The balance of the tracts and other 50% of federally acquired tracts were acquired with P2000. Mitigation funds were used to swap out the P2000 acquired land with 50% coming from developers' (fund 211) and 50% from the Lake Belt miners'. The 56 parcels included 300-914, 300-917, 300-920, 300-921, 300-925, 300-928, 300-929, 300-931, 300-959, 300-961, 300-963, 300-987, 300-988, 300-989, 300-990, 300-991, 300-992, 300-993, 300-994, 300-995, 300-996, 301-900, 301-903, 301-904, 301-906, 301-907, 301-908, 301-910, 301-913, 301-914, 301-915, 304-932, 304-971, 305-903, 305-921, 305-928, 306-929, 306-935, 306-943, 306-948, 306-966, 306-976, 306-977, 307-923, 307-924, 307-925, 307-926, 307-928, 307-929, 307-930, 307-934, 307-936, 307-938, 304-966, 304-968, and 304-974.

*** Parcels acquired in L-31 North Project using Pennsuco restoration funds.

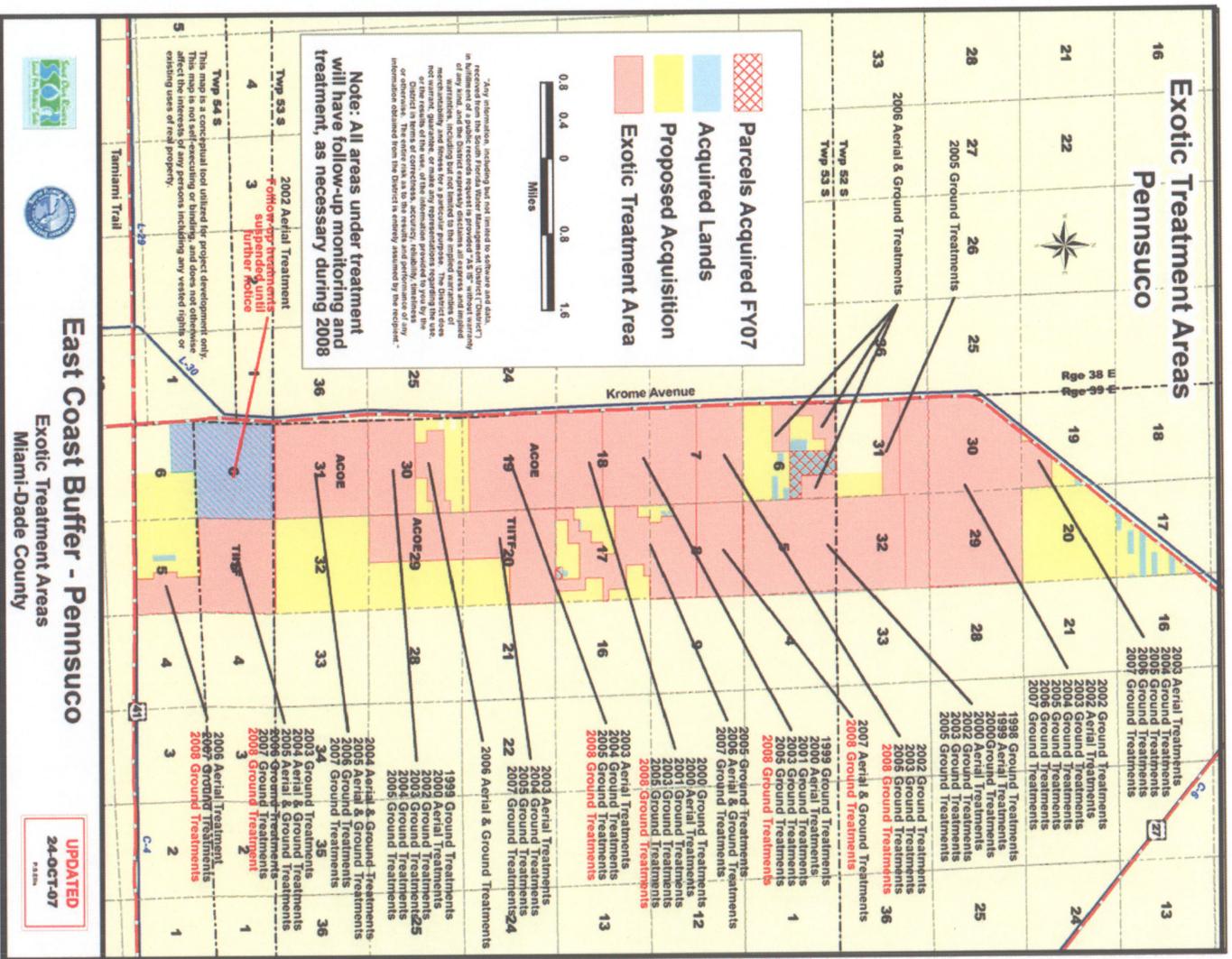


Figure 7-4. Pennsuco exotic treatment areas.

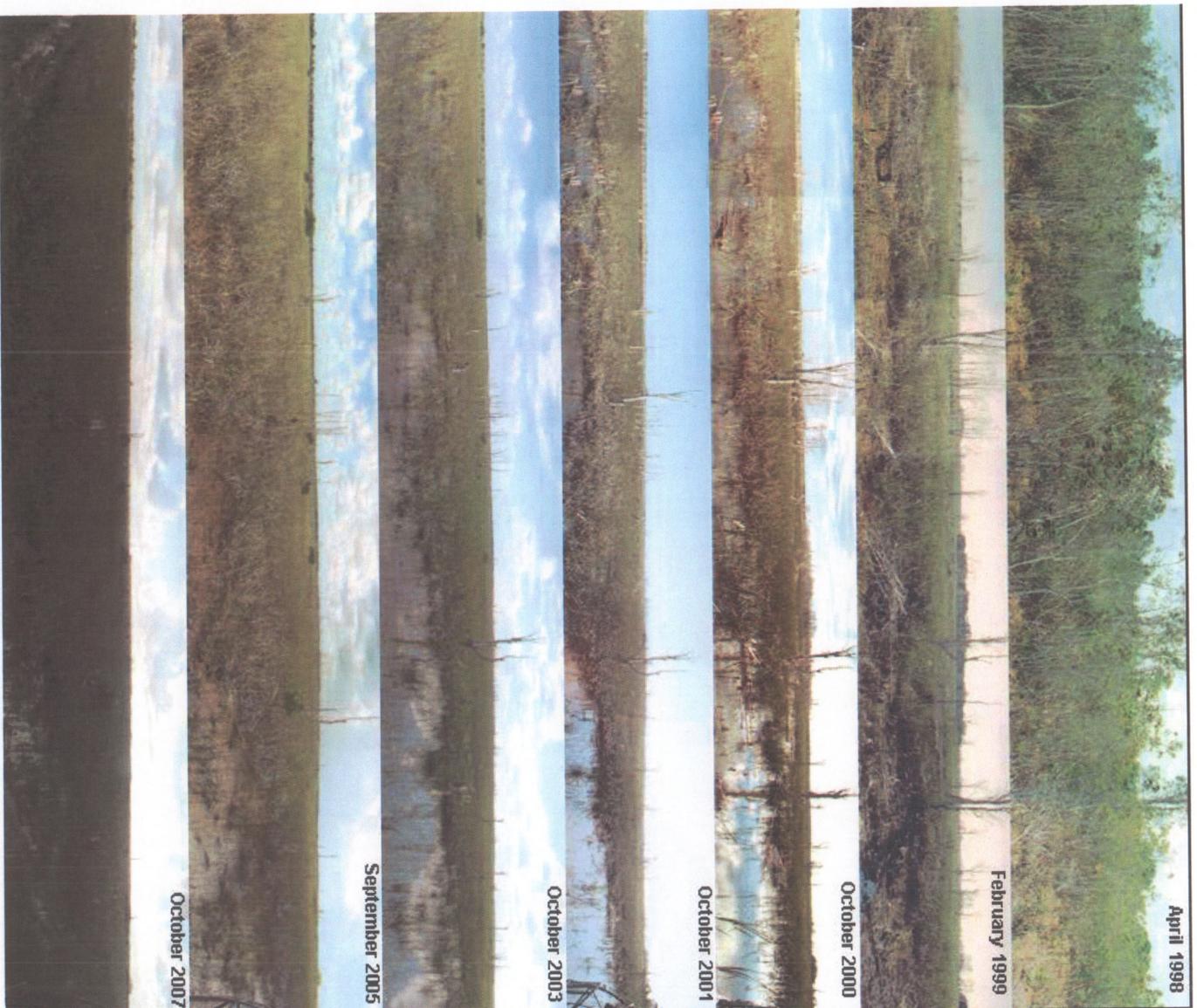


Figure 7-5. Visual depiction of exotic treatments in the Pennsuco Wetland Mitigation Area over time.

SUMMARY

The following financial summary, as of September 30, 2007, shows the balances available in acquisition, restoration, and management categories:

Project	Land Acquisition	Restoration	Long-Term Maintenance*	Total
CREW	\$143,710	\$1,369,883	\$661,081	\$2,174,674
Pennsuco	\$0	\$4,326,498	\$2,112,995	\$6,439,493

* Includes only interest on long-term management fund corpus and interest on land and restoration funds.

The following expenditure summary categorizes mitigation fund spending into components of acquisition, restoration, and management for period October 1, 2006–September 30, 2007.

Project	Land Acquisition	Restoration	Long-Term Maintenance	Total
CREW	\$1,142,992	\$251,341	\$0	\$1,394,333
Pennsuco	\$0	\$1,406,616	\$0	\$1,406,616
Total	\$1,142,992	\$1,657,957	\$0	\$2,800,949

LITERATURE CITED

Adair, R. September 2007. Summary of Wetlands Mitigation Balances by Project. South Florida Water Management District, West Palm Beach, FL.