COUNTY DEPARTMENT AGENDA REQUEST

Department:	Public Works / SPLOST	Presenter(s):	Phil Mallon
Meeting Date:	Thursday, December 9, 2010	Type of Request:	New Business

Wording for the Agenda:

Approval of staff's recommendation to purchase stream and wetland mitigation credits for the West Fayetteville Bypass Project, Phase 2 (SPLOST No. R-5) from the Flint River Mitigation Bank, via Mitigation Management, LLC for the amount of $214,086.00.

Background/History/Details:

As part of the U.S. Army Corps of Engineers' Regional General Permit No. 1 for the West Fayetteville Bypass, Phase 2, Fayette County is required to purchase stream and wetland credits to offset environmental impacts associated with the project. Quotes were received from four mitigation banks and the Flint River Mitigation Bank was determined to be the cheapest. The Flint River Mitigation Bank is also within the same Hydrologic Unit Code as the project, which is preferred, although not required, by the Corps. Last, this group agreed to a further reduction in price even after they were determined to be the lowest in cost.

Back-up information, including a draft notification letter to the Corps, a Letter of Intent to Mitigation Management, LLC, and table showing other quotes received, is provided to support this agenda request.

What action are you seeking from the Board of Commissioners?

Approval from the BOC to purchase wetland and stream mitigation credits for the West Fayetteville Bypass Project, Phase 2 (SPLOST No. R-5) from the Flint River Mitigation Bank, via Mitigation Management, LLC for the amount of $214,086.00.

If this item requires funding, please describe:

Funding is available from SPLOST 321 40220 521316 R-5.

Has this issue come before the Commissioners in the past?	No	If so, when?	
Do you need audio-visual for the presentation?	No	Back-up Material Submitted?	Yes

STAFF USE ONLY

Approved by Finance	Yes	Reviewed by Legal	Yes
Approved by Purchasing	Not Applicable	Approved by County Clerk	Yes
Administrator's Approval	Yes		

Staff Notes:

Mallett Consulting, Inc.
ENGINEERING - SURVEYING - PROJECT MANAGEMENT

101 DEVANT STREET, SUITE 804
FAYETTEVILLE, GEORGIA 30214
770-719-3333
770-719-3377 (fax)

Mitigation Management, LLC
10405 Old Alabama Road Connector
Suite 201
Alpharetta, GA 30022
Attention: Mr. Trey Evans

November 22, 2010

Re: Project: West Fayetteville Bypass - Phase II
Fayette County, GA
USACE Project SAS-2007-00320

Dear Mr. Evans:

On behalf of Fayette County Board of Commissioners, this correspondence shall serve as a **Letter of Intent** to purchase wetland and stream mitigation credits from the Flint River Umbrella Mitigation Bank, to satisfy the requirements of the US Army Corps of Engineers for the above referenced project.

In accordance with Regional Permit RGP01, Project SAS-2007-00320, the mitigation requirements call for purchase of 9.3 wetland mitigation credits and 4,351 stream mitigation credits (including 10% reduction for 12 digit HUC discount). Fayette County Board of Commissioners intends to issue full payment within 45 days of the date of this letter, with the understanding that these credits will remain reserved for this purchase during that period. Terms and final purchase price will be as indicated on Mitigation Management, LLC invoice No. 0000023, dated November 15, 2010 (see attached).

Please feel free to contact me should you have any questions or require additional information. Thank you for your help with this transaction.

Sincerely,
Mallett Consulting, Inc.

David Jaeger, P.E.
Project Manager

Cc: Mr. Jack Krakeel
Mr. Phil Mallon
Mr. Carlos Christian
Ms. Lori Kennedy
file: 05110-R5 Environmental

Mitigation Management, LLC
10405 Old Alabama Road Connector
Alpharetta GA 30022
United States

MITIGATION MANAGEMENT
Over 3.8 Million Stream Credits to Serve Georgia

Fayette County Board of Commissioners
140 W. Stonewall Avenue
Fayetteville GA 30214

Invoice #	0000023
Invoice Date	November 15, 2010
Amount Due	**$214,086.01 USD**

Item	Description	Unit Cost	Quantity	Line Total
Upper Flint (S)	HUC-3130005 Stream Credits	36.00	4351	156,636.00
Upper Flint (W)	HUC-3130005 Wetland Credits	6,177.42	9.3	57,450.01

Total	**214,086.01**
Amount Paid	-0.00
Amount Due	**$214,086.01 USD**

Terms
To purchase the credits. Please send a check to:

Mitigation Credit Sales, LLC
10405 Old Alabama Road Connector
Alphareta, GA 30022

Once we receive the check, MCS will process the sale with the United States Army Corp of Engineers and we will email you a copy of all the correspondence that was sent to the Corp by email. In order to process the sale we need the following information.

1. Permittee File Name
2. Project Name
3. USACE Permittee File Number
4. County

If you have any questions, please call Matt Peevy at (404) 376-4698. Thank you for choosing MCS for you mitigation needs.

November 15th, 2010

Phil Mallon
Fayette County Road Department
115 McDonough Rd
Fayetteville, GA 30215

Dear Mr. Mallon:

Please allow this letter to serve as my authorization for Mitigation Credit Sales, LLC to execute mitigation credit transactions on behalf Brent Scarbrough Company. All of the mitigation banks owned by BSC (including the Flint River Mitigation Bank) are handled through this entity as it is a joint venture with the other two leading mitigation providers in the State of Georgia.

Please also accept and documentation provided to you by Mitigation Management, LLC as this company is currently contracted by Mitigation Credit Sales, LLC to interface with clients on our behalf.

Thank you and please feel free to call me with any questions.

Sincerely,

From: clane@keagroup.com
To: mallettci@msn.com
CC: lkennedy@keagroup.com; lbromberg@keagroup.com; bhart@keagroup.com
Subject: FW:
Date: Mon, 18 Oct 2010 12:21:00 -0400

David,

I revised the cost analysis to include the quote from Wildlands Environmental (White Oak Creek Mitigation Bank). The contact person from Wildlands Environmental is Kelly Siragusa, (770) 682-9731 ext. 21. The contact information for the other 3 banks is included in the previous e-mail (below).

West Fayetteville Bypass Mitigation Cost Analysis

	Wetland Credits	Credit Price =	Total =	Stream Credits	Credit Price =	Total =	Combined Total =
Flint River Mitigation Bank	10.34	$6,500	$67,210	4834	$36	$174,024	$241,234
Flint River Mitigation Bank w/ 10% reduction	9.3	$6,500	$60,450	4351	$36	$156,636	$217,086
Potato Creek Mitigation Bank	10.34	$8,500	$87,890	4834	$50	$241,700	$329,590
White Oak Creek Mitigation Bank	NA	NA	NA	4834	$30	$145,020	$145,020
Yazoo Mitigation Bank	NA	NA	NA	4834	$33	$159,522	$159,522

If the county decides to go with Flint River Mitigation Bank (in order to qualify for the 10% reduction), a letter to the Corps would need to be drafted stating what the original mitigation plan called for (10.3 wetland credits and 4,834 stream credits) and the county's plan to purchase from the Flint River Mitigation Bank, which is located within the same 12-digit HUC as the proposed project (031300050204) in order to receive a 10% reduction in necessary credits in accordance with the "Savannah District's Guidelines for Bank Credit Purchases". It should state that in accordance with the reduction allowed in the guidelines the county's mitigation plan would be changed to purchase 9.3 wetland credits and 4,351 stream credits. Additionally, the mitigation banks paperwork would have to verify that it is located within the same 12-digit HUC.

In order to secure the necessary credits, the selected bank would need to be contacted. None of the banks have reserved the credits at this point in time.

Thank you,
Collin