Appendix L Airport Sponsor Assurance Letters

Panama City-Bay County International Airport Correspondence, July 24, 2006 regarding the Airport and Airway Improvement Act of 1982

Panama City-Bay County International Airport Correspondence, July 24, 2006 regarding public hearings

Panama City-Bay County International Airport Correspondence, July 24, 2006 regarding the USACE position letter

Panama City-Bay County International Airport Correspondence, July 28, 2006 regarding coastal zone management

Panama City-Bay County International Airport

Foreign Trade Zone #65



July 24, 2006

Ms. Virginia Lane Federal Aviation Administration Orlando Airports District Office 5950 Hazeltine National Drive, Suite 400 Orlando, Florida 32822

Dear Virginia:

The following is a statement of compliance with Section 511 (a) (5) of the Airport and Airway Improvement Act of 1982, as amended:

"The Panama City - Bay County Airport and Industrial District (owner and operator) provides assurance that appropriate action, including the adoption of zoning laws, will be taken to the extent reasonable, to restrict the use of land adjacent to or in the immediate vicinity of the relocated Panama City – Bay County International Airport to activities and purposes compatible with normal airport operations."

Enclosed please find a copy of proposed land development regulations approved by the Airport Board on May 23, 2006 for submission to Bay County for adoption into its land use codes. The County is currently reviewing this document with consideration for adoption by the County Commission expected later this year. Adoption of these regulations will be in addition to that previously adopted in the West Bay Area Sector Plan Overlay and the Airport Detailed Specific Area Plan.

Sincerely,

Randall S. Curtis, A.A.E.

Executive Director

RSC/ps

Enclosure

Panama City-Bay County International Airport

Foreign Trade Zone #65



July 24, 2006

Ms. Virginia Lane Federal Aviation Administration Orlando Airports District Office 5950 Hazeltine National Drive, Suite 400 Orlando, Florida 32822

Dear Virginia:

The purpose of this letter is to certify that public hearings were held that afforded the public an opportunity to consider the economic, social, and environmental effects of the location of the proposed new Panama City – Bay County International Airport and the location's consistency with planning that the community has carried out. Attached please find copies of the public notice and minutes of the public hearings held on June 12, 2003 and December 11, 2003 that afforded the public such opportunities.

It is further certified that the Panama City-Bay County Airport and Industrial District has voting representation from the communities in which the project will be located. I have enclosed for your information a copy of the Special Act that created the Airport District that details the powers and authority of the District as well as appointment of board members.

Please let me know if you have any questions or need further information.

Sincerely,

Randall S. Curtis, A.A.E.

Executive Director

RSC/ps

Enclosure

JUL 27 2006

Panama City-Bay County International Airport

Foreign Trade Zone #65



July 24, 2006

Mr. Don Hambrick Regulatory Division, North Permits Section Department of the Army Jacksonville District Corps of Engineers Panama City Regulatory Office 1002 West 23rd Street, Suite 350 Panama City, FL 32405-3648

Re: Revised Wording for Responses to Corps Position Letter on the proposed Panama City - Bay County International Airport Relocation Project, SAJ-2001-5264 (IP-GAH).

Dear Mr. Hambrick:

It has been brought to our attention that one of our responses to comments included in your position letter of 1 November 2005 stated that a "least environmentally damaging practicable alternative" had been identified in the Final Environmental Impact Statement (FEIS). The response was intended to assert that the Airport believes the discussion within the FEIS, as well as previous airport relocation documents, show that the West Bay site is the "least environmentally damaging practicable alternative." The Airport understands that the Federal Aviation Administration will officially identify a "least environmentally damaging practicable alternative" in the Record of Decision. Please find enclosed revised wording for responses to Ms. Lesley Blackner's Comments 5 and 7. We have included the entire questions and comments in bold, followed by our responses. All other previously submitted responses remain unchanged. We apologize for the misunderstanding and hope that these revised responses provide the necessary clarification.

Please contact me at 850-763-6751, extension 203 if you have questions or comments regarding our submittal.

Sincerely,

Randall S. Curtis, A.A.E.

Executive Director

Enclosure

cc: Virginia Lane, FAA

Thomas Reddaway, Bechtel William "Bill" C. Lynn, PBS&J

C. Lesley Blackner Comments

- 5). The information provided in the public notice establishes that the proposal will have a very destructive impact on Burnt Mill Creek and Crooked Creek, both of which are highly functional, intact streams. It appears that the proposal will essentially destroy these streams and their headwaters. The FCC denial was in large part predicated on a proposed dredge and fill that would destroy the headwaters of two creeks:
 - P. 42: The wetlands at the site are invaluable in filtering contaminants, contributing to biomass accumulation, carbon storage, nutrient cycling, primary production, and providing habitat. The proposed discharge, if permitted, would be located in forested hardwood wetlands that are headwater tributaries to Pottsburg and Jurlington Creeks. These creeks are a source of fresh water for this area, which is tidally connected to the St. John's River. These creeks and their tributaries are known to support federally managed fishery species. The fill material would not be compatible with the existing substrate and would cause permanent damage to the existing micro and macro organisms as a result of smothering and displacement. The ecosystems functions to store flood waters, hold and purify runoff from adjacent uplands, provide detritus for the aquatic food chain, and provide habitat for aquatic, wetland, avian and upland fauna for feeding, resting, refuge and reproduction. This particular ecosystem connects directly to Jurlington and Pottsburg Creeks, providing water quality functions for the St. Johns River. Onsite wetlands...are connected to Pottsburg and Jurlington Creeks and serve a number of functions including maintaining water quality, not limited to providing resynchronization and providing detrital export. These creeks along with the St. Johns River support a productive and diverse fishery including federally managed fishery species. By definition, wetlands are considered special aquatic sites. The proposed discharge of material into hardwood wetlands would eliminate most of the onsite wetlands, alter site hydrology and adversely affect current wetlands functions such as detritus production and export, habitat, water quality, stormwater storage and erosion control.

This is precisely the case here: two meandering healthy streams will be destroyed, and the discharge and dredge will have a highly harmful impact upon West Bay, St. Andrew Bay and the Gulf of Mexico. For the very reasons the FCC application was denied, the permit application at issue here must also be rejected.

Response: As a preliminary matter, each project should be evaluated on its own merits pursuant to the Section 404(b)(1) Guidelines and not in comparison to other projects. As explained below, other projects have different factual circumstances that do not justify or even support denial of this project. The commenter expresses an opinion about effects on Burnt Mill Creek, Crooked Creek, West Bay, St. Andrew Bay, and the Gulf of Mexico that are not supported by fact or data. The commenter's comparison between the

proposed Freedom Commerce Center (FCC) and the proposed Panama City — Bay County International Airport relocation project is not appropriate. The FCC project footprint was actually located at the headwaters of Pottsburg and Julington Creeks, "which traverse the center of the parcel." The FCC project proposed direct impacts to the hardwood basin swamp where both these creeks originate. The proposed airport is not located at the headwaters of Crooked and Burnt Mill Creeks, but rather is situated between the two creeks. The proposed airport footprint at full build out is located over one-half mile from the main bodies of Crooked and Burnt Mill Creeks and is roughly one mile from the headwaters of Burnt Mill Creek, while the headwaters of Crooked Creek are nearly five miles from the proposed airport footprint.

The applicant acknowledges that three named streams that feed Crooked Creek would be directly impacted by the airport at full build-out. These streams are Bell Bay Branch. Bear Bay, and Kelly Branch. Within the proposed airport footprint, Bell Bay Branch has been heavily impacted through past silviculture activities and alterations, including planting of slash pine in place of the natural riparian vegetation and direct channelization. On the proposed project site, Bell Bay Branch is essentially a ditch, rather than a natural stream channel. Bear Bay is not a well defined stream; rather it is a flowing wetland with a highly braided channel in places, and lacking a defined channel in other places. Bear Bay has not been altered by silviculture to the same extent as Bell Bay Branch, but fire suppression and historic logging of hardwoods and cypress has allowed titi to dominate this system. Additionally, the upstream reaches of Bear Bay have been ditched and now connect (through anthropogenic alteration) to ditches that drain to Kelly Branch. Kelly Branch is a relatively natural stream on the western and southern portions of the proposed project site (the lower roughly 5,000 ft of stream on the proposed site, to be impacted in future project phases). Portions of Kelly Branch north of this area, to be impacted in earlier project phases, have been previously altered through channelization, ditching, and other silvicultural activities. The upper reaches of Kelly Branch on the project site are essentially functioning as ditches.

Although portions of these three streams/wetland/ditch systems will be impacted at full build out, a majority of the impacts occur during the later project phases (31-50 years in the future). Initial direct impacts to these streams are much smaller and are largely confined to the low quality stretches of Bear Bay and Kelly Branch. Direct impacts to the higher quality portions of these systems have been minimized through elimination of the original western-most phase of the project (50+ years) during the state permitting process (removing impacts to roughly 10,000 linear feet of streams). Existing flow ways of these creeks will be maintained as discharge conveyances for stormwater from the airport site, voluntarily treated to Outstanding Florida Waters (OFW) standards. Impacts to these streams will furthermore be mitigated through hydrologic restoration of streams and flowing wetlands within the mitigation area.

The commenter has incorrectly stated that the proposed airport relocation would completely destroy Burnt Mill and Crooked Creeks. The proposed airport site footprint at full build-out will not directly impact either of these creeks, and will impact only roughly 3.7% of the Burnt Mill Creek drainage basin and 13.9% of the Crooked Creek

drainage basin. The project site does not directly occur on or adjacent to either creek. Treating stormwater to OFW standards on a voluntary basis, matching pre- and post-development stream discharge rates at outfall locations, and maintaining existing drainage patterns will minimize indirect impacts to these two creeks. Additionally, riparian buffers and other conservation areas planned throughout the watershed in the West Bay Sector Plan will help protect the integrity of the creeks. Finally, baseline, construction, and post-development monitoring of water quality, sediment quality, and biotic communities will help ensure that the integrity of Crooked Creek, Burnt Mill Creek, and West Bay is protected.

A second difference between the FCC permit denial and the proposed airport is the quality of the wetlands proposed for impacts. The 560 acres of wetlands at the FCC site are mature wetland hardwoods and cypress, all of which were considered high quality. Approximately half of the wetlands on the proposed airport site are low quality planted pine wetlands, while almost another quarter are low-moderate quality titi dominated wetlands. In other words, approximately 25% of the onsite wetlands could be considered high quality as opposed to nearly 100% high quality wetlands at the FCC site.

The third and possibly most important difference between the FCC project and the proposed airport is that the FCC applicant failed to provide a suitable alternatives analysis that showed the proposed location to be the least environmentally damaging practicable alternative. The failure to show that the proposed FCC site was the least environmentally damaging practicable alternative made the proposed impacts to the aquatic resources referenced in the permit denial inconsistent with the Clean Water Act. Although the proposed airport relocation would impact aquatic resources providing functions referenced by the commenter, the Applicant believes that the alternatives analysis and discussion in the Final Environmental Impact Statement (FEIS) show that the proposed relocation site is the least environmentally damaging practicable alternative that meets the project purpose and need. The applicant, the FAA, and the Corps have all defined similar specific purposes and needs for the project. The alternatives analysis for the proposed project is provided as Chapter 3 in the FEIS, and the applicant's analysis is provided in the Section 404(b)(1) Analysis provided herewith. Various alternatives including the no action alternative, use of other airports, joint use facilities, expansion of the current airport, and three relocation sites were considered and discussed at length in the FEIS. Additionally, several build alternatives were evaluated for the existing airport and the relocation site including a 6,800 foot runway, other measures to meet FAA safety standards, and an 8,400 foot runway. Alternatives were evaluated in a two-tier process to determine whether the alternative first met the project purpose and need, and if so, also met environmental constraint criteria, which included impacts to seagrass. The West Bay site was the only alternative that met the Corps defined project purpose and need. FAA evaluated alternatives at the existing site and the West Bay site, but could not "conclude that one site was clearly superior to the other from an environmental standpoint" because the "impacts at the two locations are of fundamentally different varieties and the opportunities for enhancement and/or avoidance of impacts are disparate." Therefore, "FAA may consider the Airport Sponsor's stated goals and objectives when identifying a preferred alternative." If the Airport Sponsor's goals and objectives are considered, the

applicant believes that the West Bay site is the least environmentally damaging practicable alternative.

- 6). The Corps also recently denied permit application SAJ-1999-4363, which sought to dredge and fill 5 acres of waters contiguous with Swift creek. (Valparaiso Realty Group-annexed hereto.) The wetlands in that application are described as "wetland systems of high quality and value and consist of a mature hardwood swamp dominated by Tulip Poplan (sic), Sweet Bay, Red Bay, Sourwood and Gum Tree." These same species are present on the site at issue here. The memorandum of record recognizes that the proposal bisects swift creek, which drains to Choctawhatchee Bay, which is designated critical habitat for the threatened Gulf sturgeon. In the proposal at issue here, the proposed project bisects Burnt Mill Creek and Crooked Creek, which drain into West Bay, which in turns flows into St. Andrew Bay and into the Gulf of Mexico, the near shore waters of which has been designated as critical habitat for the Gulf sturgeon. The Valparaiso Realty group provides at p19:
- (c) Anticipated Future Consequences: Authorization of this project, and similar projects that would likely follow, would result in the elimination of large areas of forested palustrine wetlands and resultant adverse alteration of the aquatic environment contiguous to and including Swift Creek. These consequences would occur due to the alteration of wetland hydrology and negative impact to various wetland functions, such as detrital export and production, habitat...water quality and quantity, storm and floodwater storage; and by abetting commercial development where less damaging alternatives are clearly apparent and practicable. Furthermore, the proposed development would provide a source of contamination to the contiguous aquatic environment, including Swift Creek, as a result of the increase in impervious surcease (sic), with the additional introduction of petroleum based products such as asphalt, vehicular gas and oil...on-site wetlands drain into Swift Creek, which in turn drains into Choctawhatchee Bay, which is a NWFWMD priority SWIM water. Choctawhatchee Bay provides a vast array of resources but is experiencing many impacts, which have degraded the productivity of the bay and diminished the benefits it provides to the surrounding ecosystem.

The exact same thing, but on a much more destructive, massive scale will occur if the proposed airport is built in this proposed location: the aquatic environment of Burnt Mill Creek and Crooked Creek will be destroyed and all the functions those waterbodies provide will be forever lost. West Bay, and in turn St. Andrew Bay, and in turn the Gulf of Mexico will be degraded. This is not acceptable under the Clean Water Act, particularly since there are practicable alternatives to this misguided, ill-considered proposal.

Response: Again the commenter reaches to draw parallels between the proposed airport project and another project. First, there is no comparison between the quality of the wetlands at the Valparaiso site and the wetlands at the proposed airport site. As stated before, roughly only 25% of wetlands within the proposed airport relocation site can be

considered high quality. The Valparaiso project proposed impacts to high quality hardwood wetlands adjacent to Swift Creek.

Second, while Choctawhatchee Bay, the receiving body for Swift Creek, is listed as Critical Habitat for the federally threatened Gulf sturgeon (Acipenser oxyrhynchus desotoi), West Bay, the receiving body for Burnt Mill and Crooked Creeks, is not Critical Habitat for the Gulf sturgeon. Critical Habitat for the Gulf sturgeon is over 16 miles from the project site (based on straight-line overland distance, not even accounting for linear distance by surface water and water circulation patterns), and is located in the Gulf of Mexico (no part of St. Andrew Bay is designated as Gulf sturgeon Critical Habitat). No other Critical Habitat would be affected by the proposed airport relocation. Therefore, the Critical Habitat impact concerns that were raised by the Corps in the Valparaiso project are in no way applicable to the proposed airport relocation.

Third, the primary reason for the Valparaiso permit denial was that the Corps believed that less damaging practicable alternatives were available, particularly that further onsite minimization could have completely avoided or substantially reduced impacts to onsite wetlands. Additionally, the Corps suggested that the project purpose could be met by reducing the facility in scale and thereby eliminating all wetland impacts associated with the project. Due to safety and design constraints and the extent of wetlands within the region, wetland impacts cannot be completely avoided for the Panama City – Bay County International Airport relocation project. For this airport project, the applicant has met avoidance and minimization criteria through the siting of the airport between Burnt Mill and Crooked Creeks to avoid direct impacts to their respective channels or continuous floodplains and through further onsite minimization of wetlands. Previous alternatives analyses have determined that there is no other practicable site for the airport relocation within Bay County. As explained in the response to Comment 5, the Applicant has determined that the proposed relocation site is the least environmentally damaging practicable alternative, and discussion within the FEIS supports this determination.

Finally, the DEP has issued the NOI to issue the state permits for the project, including water quality certification, concluding that there will be no adverse affects on water quality within any of the water bodies mentioned by the commenter. The Corps' general policies for evaluating permit applications provide that State water quality certification will be considered conclusive with respect to water quality considerations unless EPA advises of other water quality aspects to be taken into consideration.

Panama City-Bay County International Airport

Foreign Trade Zone #65



July 28, 2006

Ms. Virginia Lane Federal Aviation Administration Orlando Airports District Office 5950 Hazeltine National Drive, Suite 400 Orlando, Florida 32822

Dear Virginia:

The purpose of this letter is to certify that the Panama City – Bay County Airport and Industrial District has reviewed the enforceable policies of the Florida Coastal Zone Management Program and the District makes the following certification:

The proposed activity(s) associated with the proposed relocation of the Panama City – Bay County International Airport complies with the enforceable policies of the Florida Coastal Zone Management Program and will be conducted in a manner consistent with such program.

Please let me know if you have any questions or need further information.

Sincerely,

Randall S. Curtis, A.A.E.

Executive Director

RSC/ps