ENVIRONMENTAL PROTECTION AGENCY

Region 6, Dallas, Texas

November 27,2012

Eric Dephouse, Permits Section
Regulatory Branch
Fort Worth District
U.S. Army Corps of Engineers
P.O. Box 17300
Fort Worth, Texas 76102-0300

Dear Mr. Dephouse:

The Environmental Protection Agency (EPA) Region 6 has reviewed the October 26, 2012, Delta Land Services, LLC (Applicant) Public Notice (SWF-2012-00417). EPA has also reviewed the October 18,2012, Proposed 242.1 acre Phillips Creek Mitigation Bank Prospectus. The Applicant proposes to operate a mitigation bank on 242.1 acres. The overall objective is to re-establish 158.7 acres of palustrine forested wetland(PFO); rehabilitate 5.4 acres of PFO; preserve and protect 41.6 acres of PFO; restore 7.2 acres of upland forest; create and restore 18,992 linear feet of perennial stream; restore, enhance and protect 12,755 linear feet of intermittent stream; and protect 4,521 linear feet of perennial stream. The site is located in northwest Louisiana, east of Toledo Bend Reservoir, and adjacent to Many Louisiana Sabine Parish in Sections 20, 21, 28 and 29 , of Township 7 North, Range 11 West. In addition, the Bank is located south of U.S. Highway 171, north of the Kansas City Southern (KCS) Railroad, and at the confluence of Phillips Creek and Harpoon Bayou. Based upon our review, we have the following comments:

Box 3 Establishment and Operation

The Applicant proposes to determine baseline and projected functional lift, the Interim Hydrogeographic Model (iHGM) , Texas Rapid Assessment Method (TXRAM), Charleston Method(CM), or another agreed assessment method will be utilized to access baseline and predicted stream and wetland credits, which will be defined in the subsequent Draft Mitigation Banking Instrument. In the Phillips Creek and Harpoon Bayou Baseline Report, the Applicant uses TXRAM to perform stream functional assessments. It is recommended that the Applicant use TXRAM for both baseline and predicted stream and wetland credits.

October 31, 2012 Email

We concur with the comments made by the US Fish and Wildlife and the Applicants response to those comments.

Preservation

The Applicant proposes to preserve several tracts in the Bank. To qualify for preservation the tracts must be in compliance with 332.3(h).

If you have any questions concerning these comments, please contact me at (214) 665-7576.

Sincerely,

Donna Mullins
Wetlands Section

Cc: Patti Holland, USFW
Sam Watson, USACE