

CONTRACT

THIS AGREEMENT is made and entered into as of this 1st day of September, 2005 ("Effective Date"), between Blind River Properties, Inc. (hereinafter sometimes referred to as "Blind River") and St. Charles Parish (hereinafter sometimes referred to as the "Parish"). Subject to all of the terms and conditions hereof, Blind River shall render mitigation banking services to the Parish as set forth in this Agreement. The Specifications, Exhibit "A", are attached hereto and incorporated herein by reference. The Sawgrass Bayou Mitigation Area is an approved mitigation bank in accordance with federal guidelines. The project defined in this Agreement is not a continuation of any agreement, contract or services rendered by the Parish on behalf of Blind River. The project location is the Sawgrass Bayou Mitigation Area in St. John the Baptist Parish, Louisiana as described on Exhibit "B", attached hereto and made a part hereof.

The address of the Parish is:

St. Charles Parish
c/o Gregory E. Bush, LTC, USA, Retired
Director of Public Works/Wastewater
P.O. Box 705
Luling, LA 70070

The address of Blind River is:

Blind River Properties, Inc.
Post Office Box 270
French Settlement, Louisiana 70733

The stated addresses of the parties shall be used for any notices to be provided under this Agreement until one party provides the other party with written notice of a change of address.

FOR AND IN CONSIDERATION, of the covenants and conditions herein contained, the receipt and sufficiency of which is hereby acknowledged by and between the parties hereto, Blind River and the Parish agree as follows:

1. PAYMENTS:

Blind River will be compensated by the Parish for the services to be performed in accordance with the terms and conditions of this Agreement as follows:

- A. For the wetland mitigation services provided in the Specifications, the Parish shall pay Blind River for one and one-half (1.5) acres located within the Sawgrass Bayou Mitigation Area, the total sum of Six Thousand and No/100 Dollars (\$6,000.00).
- B. Within five (5) business days of acquisition of all necessary federal, state, and local permits and the receipt by the Parish of a copy of this Agreement executed on behalf of Blind River, the Parish shall pay to Blind River the payment specified in Paragraph 1.A. by wire transfer to the account of Blind River, at Regions Bank, ABA No. 062005690, Lusher, LA, Bank No. 242, for the account of Blind River

Properties, Inc., Sawgrass Mitigation Bank, Account No. 48 3022 0876. The payment of the funds specified in Paragraph 1.A shall be the Parish's only obligation under this Agreement.

2. **BLIND RIVER'S SERVICES:**

Blind River owns and operates the Sawgrass Bayou Mitigation Area and is prepared to and upon receipt of the payment specified in Paragraph 1.A shall immediately commence to render all services and shall satisfy all of the terms and conditions specified in the Specifications. Blind River's obligations under this Agreement shall be performed within the time set forth in the Specifications or the time constraints contained within U.S. Army Corps Engineers Permit No. MVN-2001-1384-2 CX.

3. **INDEMNITY:**

Blind River shall fully indemnify, save and hold the Parish, their principals, agents, employees, contractors, subcontractors, and successors harmless from and against all liability, damages and expenses, other than acts of God, which arise out of claims made by the United States Army Corps of Engineers against the Parish, directly related to the compensatory wetlands mitigation requirements provided for in this Agreement.

4. **WARRANTEE:**

Blind River does hereby warrant that it has record title to the Sawgrass Bayou Mitigation Area and that it has all rights to perform the obligations undertaken by Blind River in this Agreement. The parties hereto warrant to each other that they have the right to enter into this Agreement.

5. **GOVERNMENTAL COMPLIANCE AND NOTICES:**

In performing its obligations under this Agreement, Blind River agrees to comply with all laws and regulations of any federal, state or local governmental authority having jurisdiction. Blind River shall timely file all necessary reports required by the U.S. Army Corps of Engineers.

6. **JURISDICTION:**

This Agreement shall be governed and construed for all purposes under and in accordance with laws of the State of Louisiana.

7. **MUTUAL NEGOTIATIONS:**

This Agreement was effected by mutual negotiations between Blind River and the Parish and any ambiguity which may be contained herein shall not be construed in favor of one party or against another.

8. SUCCESSORS AND ASSIGNS:

This Agreement shall be binding on the parties hereto, and their successors, assigns, lessees and sublessees.

9. SAVINGS AND SEVERABILITY:

If any portion of this Agreement or if the application of this Agreement to any person or circumstance shall to any extent be declared invalid by a court of competent jurisdiction, then the remainder of this Agreement and the application of such provisions to persons or circumstances other than those held to be invalid shall not be affected thereby. Moreover, each provision of this Agreement shall be valid and enforced to the fullest extent permitted by applicable law.

IN WITNESS WHEREOF, the parties hereto have executed the agreement, the day and year above written.

WITNESSES

Valerie Berthelot

Nicole Breau

Christine Lince

Tom Wilton

ST. CHARLES PARISH

By: Albert D. Laque

ALBERT D. LAQUE
PARISH PRESIDENT

BLIND RIVER PROPERTIES, INC.

By: Dale Martin
Dale Martin, President

EXHIBIT A

TO THAT CERTAIN CONTRACT BY AND BETWEEN BLIND RIVER PROPERTIES, INC. AND ST. CHARLES PARISH DATED THE _____ DAY OF _____, 2005.

SPECIFICATIONS

Blind River Properties, Inc. (hereinafter sometimes referred to as "Blind River"), the operator of the Sawgrass Bayou Mitigation Area located in St. John the Baptist Parish, Louisiana, on behalf of St. Charles Parish, shall perform the following wetland mitigation in fulfillment of the U.S. Army Corps of Engineers Permit No. MVN 2001-1384-2 CX, attached hereto as Exhibit "C" and made a part hereof, and shall restore and enhance on and one-half (1.5) acres of a former Baldcypress and Tupelogum swamp as follows:

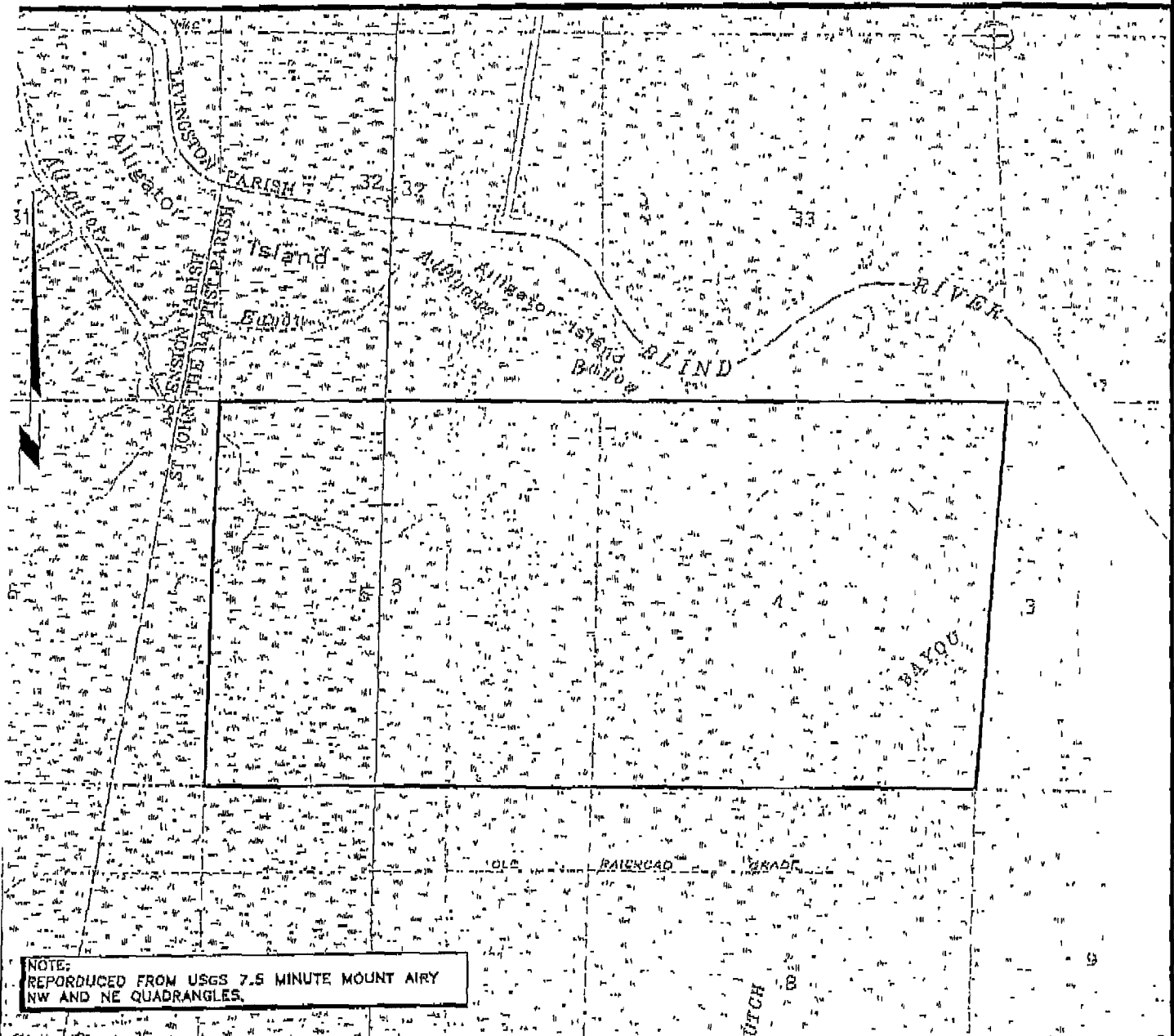
1. Planting will be conducted during the non-growing season which is defined as December 15th through March 15th.
2. Baldcypress and Tupelogum swamp restoration will be performed in accordance with the following planting scheme and guidelines:
 - A. Prior to planting, the site shall be prepared as needed to facilitate planting and shall be in accordance with the U.S. Fish and Wildlife Service guidelines. Resultant ground elevations must be appropriate for the establishment of the specific wetland species used in the plan.
 - B. Application of appropriate/approved herbicides, control burning and/or mowing shall be conducted as necessary prior to planting activities to eradicate or reduce competition from woody and herbaceous vegetation that could adversely affect seedling survival and/or growth. The site will be maintained by mechanical controls, approved chemical controls, or a combination thereof on an as needed basis. An area approximately three (3) to four (4) feet in diameter around the base of each seedling will be cleared of vegetation as needed during the first two (2) growing seasons. Chemicals shall be applied according to label and in a manner that insures survival of the planted seedlings/trees.
 - C. Plantings shall consist of two-year-old seedlings, or large one-year-old seedlings of Baldcypress (*Taxodium distichum*). All seedlings must be obtained from a registered licensed Louisiana nursery grower, unless otherwise authorized by the Mitigation Banking Review Team.
 - D. Seedlings shall be planted on 19-foot centers with a density of 125 seedlings per acre. As each hole is excavated, a measured amount of fertilizer shall be placed in the hole below the tree. Fertilizer shall be applied according to label.

- E. A minimum of eighty percent (80%) of the seedlings must survive through the end of the first growing season. If that percentage is not attained, all dead and/or missing seedlings shall be replaced during the next growing season. Re-planting shall continue until at least eighty percent (80%) survival is obtained through the end of the growing season following planting. Dead and/or missing seedlings shall be replaced on an annual basis until the eighty percent (80%) survival rate is achieved through one complete growing season. A minimum of eighty percent (80%) of seedlings must survive through the end of the fourth (4th) growing season (i.e. Year 5) following successful attainment of the one (1) year survivorship criterion described above. Seedlings established through natural recruitment may be included in the tally.
- F. Blind River shall provide to the U.S. Army Corps of Engineers annual monitoring reports documenting survival, growth rates, and species composition for each planting until the one (1) year survivorship criterion described above is achieved. A subsequent survey shall be conducted four (4) years after attainment of the above survival criterion to verify the presence of the eighty percent (80%) survival rate. Thereafter, monitoring will be conducted at years ten (10), twenty-five (25) and fifty (50).
- G. Timber stand improvement practices may be performed on the mitigation site. Stands with trees averaging six (6") inches diameter at breast height (dbh) or four and a half (4.5') feet from ground level shall not be thinned below thirty (30) square feet of basal area per acre and stands averaging eight (8") inches (dbh) or greater shall not be thinned below forty (40) square feet of basal area per acre.
- II. During all harvests, the initial species compositions and ratio shall be maintained. Harvested tracts will be replanted by Blind River, as necessary.
3. If any portion of the site is destroyed or adversely impacted by activities and/or occurrences, other than by Acts of God, the U.S. Army Corps of Engineers shall be so advised in writing by Blind River and restoration shall be made by Blind River to the affected area or equal mitigation shall be implemented by Blind River, all as approved by the U.S. Army Corps of Engineers.
4. Blind River has or shall immediately record a mitigation servitude to ensure that, in the event that the property is sold, the new owner of the mitigation site will be aware of limitations pertaining to activities within the mitigation site. The mitigation servitude will be filed in the conveyance records of St. John the Baptist Parish, Louisiana.

EXHIBIT B

**TO THAT CERTAIN CONTRACT BY AND BETWEEN BLIND RIVER
PROPERTIES, INC. AND ST. CHARLES PARISH
DATED THE ____ DAY OF _____, 2005.**

LOCATION MAP OF THE SAWGRASS BAYOU MITIGATION AREA



NOTE:
 REPRODUCED FROM USGS 7.5 MINUTE MOUNT AIRY
 NW AND NE QUADRANGLES.

LOCATION MAP

<p>BLIND RIVER PROPERTIES, INC.</p>		<p>SAWGRASS BAYOU MITIGATION AREA</p>	
<p>JOHN CHANCE LAND SURVEYS, INC.</p>		<p>SECTIONS 4 AND 5, TOWNSHIP 10 S - RANGE 6 E ST. JOHN THE BAPTIST PARISH, LOUISIANA</p>	
<p>CIVIL ENGINEERS & LAND SURVEYORS - LAFAYETTE, LOUISIANA A MEMBER OF THE FLUORO GROUP OF COMPANIES</p>	<p>SCALE = 1"=2,000' GEODETIC DATUM: NAD 1927 ELLIPSOID: CLARKE 1866 PROJECTION: LAMBERT ZONE: LOUISIANA SOUTH GRID UNITS: FEET</p>	<p>JOB NO.: 005075 FILE: 005075F</p>	<p>DATE: AUGUST 23, 2000 REV.: SHEET NO. 1 OF 1</p>

EXHIBIT C

TO THAT CERTAIN CONTRACT BY AND BETWEEN BLIND RIVER
PROPERTIES, INC. AND ST. CHARLES PARISH
DATED THE ____ DAY OF _____, 2005.

U.S. ARMY CORPS OF ENGINEERS
PERMIT NO. MVN 2001-1384-2 CX



DEPARTMENT OF THE ARMY

NEW ORLEANS DISTRICT, CORPS OF ENGINEERS

P.O. BOX 60267

NEW ORLEANS, LOUISIANA 70160-0267

REPLY TO
ATTENTION OF:

April 19, 2005

Operations Division
Central Evaluation Section

SUBJECT: MVN 2001-1384-2 CX

Mr. Chris Trepagnier
The Trepagnier Law Firm
Suite G
209 Hwy 22 West
Madisonville, Louisiana 70447

Dear Mr. Trepagnier:

This concerns the permit request your are handling for the St. Charles Parish Government to revise the Trepagnier Pumping Operation plan as stated in the March 11, 2003 public notice.

In order to address the wetland losses associated with the new operational plan whereby the Trepagnier Pumping Station is to replace the Norco and Motiva pumping stations, compensatory wetland mitigation will be required. Two mitigation banks that would serve to mitigate losses within the project's Hydrologic Unit are the High Point Wetlands Mitigation Area bank and the Sawgrass Bayou Mitigation Area bank. We have determined that the loss of 0.5 acre of wetlands at the project site can be addressed by the purchase of 1.5 acres of mitigation credits at either of these banks. I am enclosing contact information on these two banks. Please advise us which bank the St. Charles Parish Government has chosen to mitigate for the wetland losses.

If you have any questions, Mr. Roger Swindler of my staff may be contacted at (504) 862-2278.

Sincerely,


Ronald J. Ventola
Chief, Regulatory Branch

Enclosure as stated

Mitigation Areas Suitable for Permit No.

Bank Name	HIGH POINT WETLANDS MITIGATION AREA	Habitats	Mgt. P.	Acreage Available	Acreage Needed
Sponsor	Parish Name LIVINGSTON				
HIGH POINT MITIGATION COMPA	(Work) (682) 236-6820	BLH - E	0.21	0.00	
DAVID BLACKBURN	(Fax)	SW - E	0.2	385.80	
606 MCLARTY ROAD	(E-mail) dblackburn@upchurchservice				
OXFORD, MS 38655					
Hydrologic Unit	08070204 - LAKE MAUREPAS				
Physiographic Region	MISSISSIPPI DELTAIC PLAIN				

Bank Name	SAWGRASS BAYOU MITIGATION AREA	Habitats	Mgt. P.	Acreage Available	Acreage Needed
Sponsor	Parish Name ST. JOHN THE BAPTIST				
BLIND RIVER PROPERTIES, INC.	(Work) (225) 698-6600	SW - E	0.2	1028.02	
GLEN MARTIN	(Fax)				
PO BOX 270	(E-mail)				
FRENCH SETTLEMENT, LA 70733					
Hydrologic Unit	08070204 - LAKE MAUREPAS				
Physiographic Region	MISSISSIPPI DELTAIC PLAIN				