

### AMENDED AND RESTATED EXHIBIT A

#### State of Alabama GOMESA Disbursement Justification

##### **Background:**

The Gulf of Mexico Energy Security Act (GOMESA) was enacted by Congress in 2006 and significantly enhances outer Continental Shelf (OCS) oil and gas leasing activities and revenue sharing in the Gulf of America. Among other things, GOMESA provides for enhanced sharing of leasing revenues with Gulf producing states and the Land & Water Conservation Fund for Coastal Restoration projects. The GOMESA authorizes uses of the proceeds for the following purposes:

- a. Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses;
- b. Mitigation of damage to fish, wildlife, or natural resources;
- c. Implementation of a federally approved marine, coastal, or comprehensive conservation management plan;
- d. Mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects; and
- e. Planning assistance and the administrative costs of complying with GOMESA.

##### **Project Description:**

##### Magnolia River Watershed Constructed Wetlands and Regional Detention - Kelly Pit Mitigation Acquisition Site

Funding for this project will facilitate the acquisition, design, and construction of approximately 130 acres (Figure 1) of existing borrow pits and surrounding land into constructed wetlands and regional detention ponds to improve water quality and mitigate flooding in the Magnolia River Watershed as well as the Weeks Bay Watershed. In addition to the GOMESA funding, this project will also leverage approximately \$4 million from the National Fish and Wildlife Foundation (NFWF) Gulf Environmental Benefit Fund (GEBF) to supplement costs and achieve completion of the wetland construction.

Development in the Magnolia River watershed has increased from a steady growth in the population of Baldwin County. Historically, land use in the Magnolia River watershed was

predominantly agricultural, especially pasturelands and row crops. However, lands that were being used for agricultural purposes are now being transformed into residential and commercial use. With reference to the Weeks Bay Watershed Management Plan, there has been a steady increase in land use within the Magnolia River watershed. According to the plan, the percentage of developed acres increased from 1% in 1992 to 13% in 2011, with future projections for 2040 ranging from 20% to 25%. The Magnolia River Watershed facilitates various commercial and recreational uses. Therefore, protecting the watershed is of great importance and the need for flood mitigation is of great concern.

The Magnolia River is part of the Weeks Bay Watershed. In November of 2017, the Mobile Bay National Estuary Program finalized the “Weeks Bay Watershed Management Plan” which evaluated problems in the watershed and developed potential solutions within the watershed. The Weeks Bay Watershed Management Plan states that flooding is, and will likely remain, one of the highest significant concerns expressed by citizens. This concern is very important as the watershed has experienced several major flooding events within the past ten years. It further alluded that a detailed review of flood control requirements compared to stormwater management requirements would be beneficial to identify potential conflicts and solutions to support low impact development and land management. This plan led to the Baldwin County Conservation District releasing a feasibility study report in 2020 called “Borrow Pits to Regional Detention along Magnolia River” which evaluates the pragmatic approach of three proposed solutions for the Magnolia River Constructed Wetlands Project. These solutions were analyzed based on their resilience to flooding, water quality improvements, native habitat improvements/protection, and long-term resiliency.

The “oxbow braid” is the recommended design option from the feasibility study report (Figure 2). This option utilizes flood storage ponds with emergent wetland benches within the floodplain to maximize flood water retention. This option also includes a constructed stream braid to divert water from the main channel into the floodplain, and then back into the channel. The water that overflows the banks of the constructed braid will be controlled by storage ponds. These ponds will capture sediment and pollutants, temporarily store flood water, and slow the velocity of the water moving through the site. The goal of this option is to maximize flood water retention and minimize the velocity of the water, while also simulating a natural braided system.

This project meets several GOMESA Authorized Uses including projects for the purpose of coastal protection, coastal restoration, and hurricane protection by constructing wetlands to mitigate flooding events. The project objectives will mitigate damage to fish, wildlife, and natural resources by reducing erosion and improving water quality within the Weeks Bay Watershed. The Mobile Bay National Estuary Program’s Comprehensive Conservation & Management Plan (CCMP) for Alabama’s Estuaries & Coast 2019-2023 seeks to implement projects identified in the watershed management plans through Ecosystem Restoration and Protection – 2 (ERP-2). As a listed priority watershed within the CCMP, this project will provide instream and riparian habitat restoration management measures to reduce sedimentation and mitigate high water events. In addition to the CCMP, this project also meets

Section 309(a)(2) of the ACAMP, approved by (NOAA), which seeks to protect existing wetlands in coastal Alabama to reduce coastal hazards, including flooding and erosion. It is the policy of the ACAMP to encourage the maintenance and restoration of natural hydrologic characteristics throughout the watersheds and streams in Coastal Alabama.

**Project Duration:**

This project is expected to be completed on or about April 1, 2029.

**Project Costs:**

Funding is being provided to the Grantee as three (3) installments. Grantee hereby and acknowledges and agrees that the first installment of GOMESA funding was previously partially disbursed (in the amount of \$1,218,293) in conjunction with successful land acquisition activities pursuant to the Original Agreement.

The second installment will be disbursed following submission of an invoice for payment of Allowable Costs that includes (1) satisfactory certification Grantee is in compliance with insurance requirements established pursuant to Paragraph 19 of the Agreement; and (2) satisfactory verification that all previously disbursed funds have been and will be used for Allowable Costs.

The third and final installment will be disbursed following submission of an invoice for payment of Allowable Costs that includes (1) satisfactory certification Grantee is in compliance with insurance requirements established pursuant to Paragraph 19 of the Agreement; (2) satisfactory verification that construction completion of project components consistent with GOMESA requirements can be achieved through available funding; and (3) satisfactory verification that all previously disbursed funds have been and will be used for Allowable Costs.

**Anticipated Costs:**

Installment	Category	Estimated Cost
1	Land Acquisition Cost (Not to Exceed Appraised Value)	\$1,218,293
2	Design and Engineering Costs	\$980,000
3	Wetland Construction Costs (leveraging independent funding sources including NFWF GEBF funding)	\$1,801,707
<b>TOTAL GOMESA FUNDING NOT TO EXCEED</b>		<b>\$4,000,000</b>

Category line items above are general descriptions of the type of activities anticipated to be necessary in order to achieve project completion. These categories may include itemized personnel time and/or contract services associated with project activities. In addition, the final costs of project activities may vary from the individual line-item estimates set forth above. However, funding shall in no event exceed the total amount of approved funding for Allowable Costs as set forth pursuant to the Grant Agreement. Grantee agrees and acknowledges that GOMESA funds cannot serve as a non-federal match for any other federal grant program.

**Nexus to Authorized Use:**

This project meets the criteria set forth in authorized use (a) Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses; (b) Mitigation of damage to fish, wildlife, or natural resources; (c) Implementation of a federally approved marine, coastal, or comprehensive conservation management plan; and (d) Mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects.

\*\*\*\*\*

Submitted and Approved By: \_\_\_\_\_  
Matthew P. McKenzie, Chairman  
Baldwin County Commission

*Figure 1: Kelly Pit Mitigation Site*

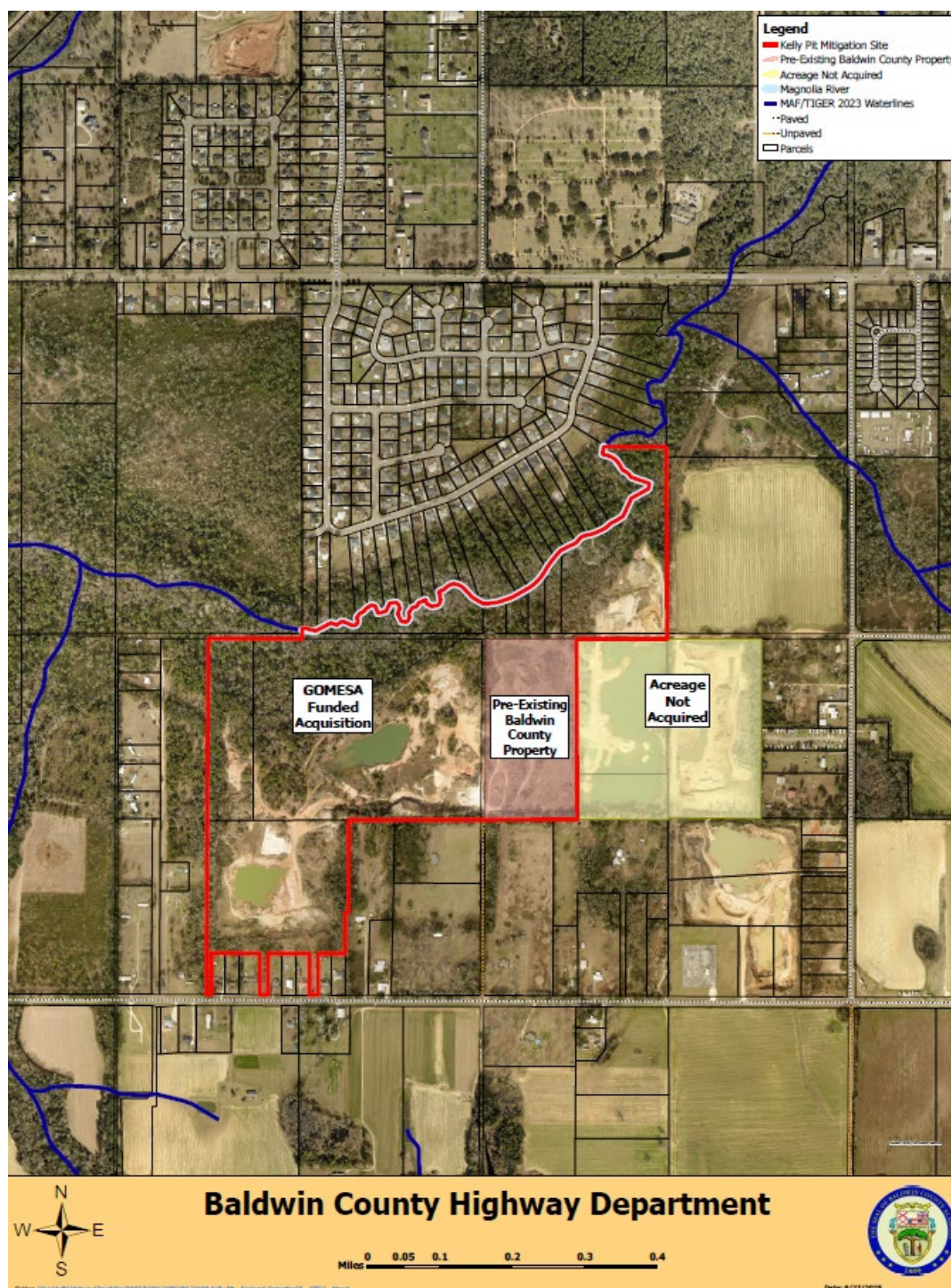


Figure 2: Preliminary Design of the Constructed Wetlands and Storage Ponds

