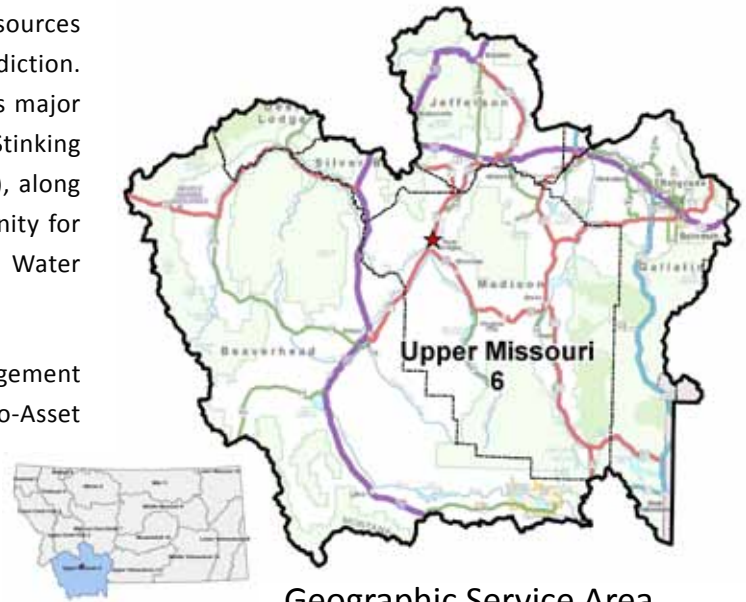


# UPPER MISSOURI MITIGATION BANK

## Mitigation Bank Credits - Efficiency and Value

The Upper Missouri Mitigation Bank has been authorized by the U.S. Army Corps of Engineers, Omaha District, to serve as a stream and wetland mitigation bank within the Upper Missouri Major Watershed Basin in south-western Montana (see figure). The purpose of the bank is to provide compensatory mitigation for projects which impact wetland and/or stream resources where the Corps of Engineers and/or the Montana DEQ have jurisdiction. As development activities affect the natural resource base in this major watershed basin, the proactive restoration of Owsley Slough and Stinking Water Slough, as well as portions of the Jefferson River (Phase I), along with adjacent riparian and wetland habitats, creates an opportunity for advanced mitigation of those impacts under Section 404 (Clean Water Act) regulatory program.

The mitigation bank is operated through an administrative management partnership between the SRI Missouri Headwaters, LLC and Eco-Asset Management, LLC. Utilizing credits from the Upper Missouri Mitigation Bank is a relatively simple process – identify the mitigation bank during the permit application process as the source of mitigation credits and, after the permit is issued, execute a credit purchase agreement with the Bank sponsors.



### Geographic Service Area

Counties served: Beaverhead, Deer Lodge, Gallatin, Jefferson, Madison, Silver Bow



Following payment of the credit fees, the Bank's ledger will be updated and a copy forwarded to the permitting district of the Corps of Engineers referencing the permit number and types/numbers of credits debited from the Bank for the permittee's project. ALL LIABILITY, RESPONSIBILITY, COSTS, ETC. FOR THE MITIGATION CREDITS FROM THE BANK ARE ENTIRELY BORNE BY THE BANK SPONSOR. Once payment is made, the permittee has no further obligations to the corps for the mitigation project, EVER.

#### WHO SHOULD USE THE BANK:

- *Developers*
- *Transportation agencies*
- *Industrial clients (mining, etc)*
- *Power and energy companies*
- *Private landowners*

#### PROJECTS ELIGIBLE TO USE THE BANK:

- *Subdivisions and commercial developments*
- *Highways, roads, bridges, airports, railways*
- *Mineral extraction, hauling/loading facilities*
- *Power plants, wind farms, transmission*
- *Stream stabilization, wetland fill projects*

# How the Bank Generates Credits

The U.S. Army Corps of Engineers determines the Bank's "value" by quantifying the created or restored wetland and stream functions in terms of "credits". A "Mitigation Banking Instrument" establishes the Bank's goals, ownership, location, size, wetland and stream types included, trading area, crediting methods and accounting procedures, performance and success criteria, monitoring and reporting protocol, contingency plans, financial assurances, long-term responsibility, etc. Subsequent permit applicants proposing wetland and stream impacts must first meet all other normal permitting requirements imposed by state and federal agencies, such as avoidance and minimization of impacts, prior to proposing mitigation. Once the mitigation step is reached, however, purchase of Bank credits is a simple and efficient means of obtaining final approval for a permit. Permittees simply reach a financial agreement with the Bank, and then withdraw credits from the Bank based on anticipated impacts associated with their development activities.

There are approximately 750 acres of impacted wetlands and over 40 miles of degraded stream and river areas including over 10 miles of the Big Hole River, Ruby River, Beaverhead River, and Jefferson River. This represents the headwater area of the Jefferson River and contributes significantly to the Missouri River headwaters. Stream restoration and enhancement activities will focus on areas of bank erosion, overwidened channels and significant sources of thermal pollution, which is disruptive to fish breeding and hold-over capacity.

## Phase 1 - Owsley Slough and Stinking Water Slough

Banking efforts on Owsley Slough include moderate restoration and enhancement of 3,980 feet of existing channel, and creation of two new meanders of 925 and 755 feet each, respectively, along and parallel to this existing reach. In addition, a new reach of 3,925 feet will be created, which joins the Beaverhead River 1,200 feet downstream of the current confluence. Finally, a riparian buffer of 75 feet will be added to both sides of all reaches for stream credits. At present this stream is over-widened, shallow and silt laden, and ends in a blind backwater relic channel of the Beaverhead River. The proposed work will promote improved channel function and spawning, rearing and adult trout habitat.

Banking efforts on Stinking Water Slough include moderate restoration/enhancement of 1,440 feet of existing channel, and creation of a new reach of 2,250 feet. The new reach will have a confluence with the Beaverhead River approximately 2,800 feet downstream of the current location. Finally, a riparian buffer of 75 feet will be added to both sides of all reaches for stream credits. Like Owsley Slough, this stream is over-widened, shallow and silt laden, and the current slough dead-ends into a blind meander of the Beaverhead River. The proposed work will promote improved channel function and spawning, rearing and adult trout habitat. This project has already been permitted, and is presently under construction.

## Phase 1 - Jefferson River

Two reaches of the Jefferson River through the East Jefferson parcel will be included in the Bank for stream credits. The reaches are separated by an intervening non-deeded parcel. These reaches course through a channel migration zone, which is dominated by side channels, wetlands and non-wetland alluvial uplands – this area will be included in the Bank for wetland credits. A 300-foot riparian buffer will be included in the Bank for stream credits, which runs adjacent and to the east of the channel migration zone. Finally, over 150 acres of floodplain wetlands, including relic meander scars, wet meadows and scrub-shrub areas will be restored and managed for wildlife and water quality.



*Mitigation banks "increase ecological benefits, save money for project applicants, and improve efficiencies in application and permitting processes."*

**Washington State Department of Ecology**



## About Mitigation Banking

Mitigation banking is the creation, restoration and/or protection of areas of wetlands and streams in advance of, and as an offset (mitigation) for, anticipated impacts to those resources within the same watershed. The mitigation banking option provides a means of advance planning that makes the permitting process more predictable and minimizes time and costs. In addition, all of the permittee's liabilities for mitigation are transferred to the Bank as part of the process.

Mitigation banking differs from other forms of mitigation in four key aspects. First, it is the preferred means of mitigating impacts (33 CFR 332). Second, banked wetlands and streams are developed in advance of, or concurrently with, anticipated impacts in the area so that fully functional habitat areas are in place by the time impacts occur. Third, banks are typically large areas which provide credits for numerous contemplated impacts, as opposed to the typical impact-by-impact process associated with conventional wetland permitting. Finally, once the permittee and Bank Sponsor have come to agreement, all of the permittee's liabilities and obligations associated with producing the mitigation transfers to the Bank.

*Mitigation banks "are committed to a unique concept for restoring and conserving America's wetlands and other natural resources - a concept that unites sound economic and environmental practices."*

**National Mitigation Banking Association**

# Administrative Process

The mitigation bank is operated through an administrative management partnership between the Upper Missouri Mitigation Bank, LLC and Eco-Asset Management, LLC. Companies and individuals interested in taking advantage of this opportunity are typically going to be permittees under the 404 regulatory program who have been directed to mitigate for project impacts. Utilizing credits from the Upper Missouri Mitigation Bank is a relatively simple process – identify the mitigation bank during the permit application process as the source of mitigation credits and, after the permit is issued, execute a credit purchase agreement with the Bank sponsors.

Following payment of the credit fees, the Bank's ledger will be updated and a copy forwarded to the permitting district of the Corps of Engineers referencing the permit number and types/numbers of credits debited from the Bank for the permittee's project. ALL LIABILITY, RESPONSIBILITY, COSTS, ETC. FOR THE MITIGATION CREDITS FROM THE BANK ARE ENTIRELY BORNE BY THE BANK SPONSOR. Once payment is made, the permittee has no further obligations to the Corps for the mitigation project, EVER.

## Vital Statistics

### PHASE I

Wetland credits: 73

Stream credits: 66,094

**Wetland credit types** – Herbaceous, scrub-shrub, and forested

**Stream credit types** – All stream orders in Montana

## Contact Us

General questions about the bank:

David Patrick

Ph: 406.422.5209

Fax: 888.470.2824

[dpatrick@eco-asset.com](mailto:dpatrick@eco-asset.com)

Questions about credit availability/pricing:

Kent Carter

Ph: 406.209.8325

Fax: 888.470.2824

[kent@carterecosvc.com](mailto:kent@carterecosvc.com)

[www.uppermissourimitigation.com](http://www.uppermissourimitigation.com)

