



US Army Corps
of Engineers®

Special Notice

Nashville District
Memphis District

Public Notice No. 12-33

Date: June 20, 2012

Please address comments to: Nashville District Corps of Engineers, Regulatory Branch
3701 Bell Road, Nashville, TN 37214-2660

Subject: 2011 Annual Report for the Tennessee Stream Mitigation Program (TSMP) In-Lieu-Fee (ILF) Program

Location: The TSMP operates throughout the entire state of Tennessee including both the Memphis and Nashville Districts of the U.S. Army Corps of Engineers (Corps).

Reporting Period: Calendar Year 2011

General Information: The ILF program is a fee-based compensatory mitigation option whereby money is paid by a permittee to a third party who assumes responsibility to develop and implement compensatory mitigation. In-lieu-fee arrangements are established between Corps Districts and natural resource management organizations following consultation with other Federal agencies.

There are two (2) ILF program sponsors in the state of Tennessee – Tennessee Wildlife Resources Foundation (TWRP) and Tennessee Wildlife Federation (TWF).

The Tennessee Wildlife Resources Foundation (TWRP) provides compensatory stream mitigation through the TSMP. The TSMP was established via an August 16, 2002, Memorandum of Agreement (MOA). Agencies involved in the development and execution of the MOA include the U.S. Army Corps of Engineers (Memphis and Nashville Districts), Tennessee Department of Environment and Conservation, Tennessee Valley Authority, U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service, Tennessee Wildlife Resources Agency, and the Tennessee Wildlife Resources Foundation.

"Federal Guidance on the Use of In-Lieu-Fee Arrangements for Compensatory Mitigation Under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbor Act" was published in the Federal Register on November 7, 2000 (FR Vol. 65, No. 216). The guidance states that the Corps will track all uses of ILF arrangements and report those figures by PN on an annual basis. The guidance also requires ILF programs to submit an annual report for review by the overseeing agencies. The TSMP has prepared and submitted its annual report. The attached tables provide a summary of ILF project related expenditures and overview of approved projects. **The complete report can be reviewed at: www.lrn.usace.army.mil/cof/.**

In order to bring their current agreement into compliance with the 33 CFR 332, Compensatory Mitigation for Losses of Aquatic Resources (Federal Register: April 10, 2008, [Volume 73, Number 70])

Pages 58605-58614), TWRP has submitted a draft in-lieu fee program instrument. The Corps issued [PN 12-18](#) on June 1, 2012, announcing the proposed modification to the program.

The Nashville District serves as the lead district for the ILF program within the state of Tennessee. As the lead district, this PN is being circulated to notify the public of the availability of the annual account tracking report for ILF programs.

Questions regarding this PN can be directed to: Marty Tyree of the Nashville District at marty.g.tyree@usace.army.mil, 615-369-7514 or Roger Allan of the Memphis District at roger.s.allan@usace.army.mil, 901-544-3682.