

HODGE & FRANCOIS

August 18, 2009

J.P. Oriol  
Title  
CZM  
Via Email

Re: LSJ

Dear Mr. Oriol:

Thank you for returning my call. As we discussed, I am enclosing a copy of the letter received a few days ago from the Army corps of Engineers, directing our client, LSJ, LLC, to undertake certain remediation actions to resolve a pending enforcement action and a request for an after-the-fact permit. As we discussed, my former colleague, Alan Smith, sent you an outline of a proposed remediation plan for addressing the issue of the fill at the beach at the shoreline to the north of the existing dock. I understand you have been away and we had not received any comments from you on that proposal for restoration.

Given the directive of the ACOE to accomplish everything involved in the resolution of these matters, including remedial steps involving the two salt ponds, mangrove mitigation and other steps, implementation of certain compliance rules for the future, revisions to the proposed permit application, and the restoration of the 1999 shoreline, all within 45 days, we are obviously very concerned about timing.

I understand from our conversation that you intend to speak to the ACOE about your question concerning whether requiring restoration of the old shoreline is actually the best course of action, given the long period of time that has elapsed. I would only ask that you let us know very promptly if a decision is made between yourself and the ACOE that results in a change in direction on that point, so that LSJ is able to conform to the guidance of both agencies and do so within the time allotted.

I also ask that you send me a written confirmation of your approval of the course of action proposed, or of any revised instructions you determine are appropriate, after you talk to the ACOE, so that we have a documented source to rely on.

Thank you again for your cooperation in this matter.

Sincerely,

MTH

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