

Exhibit 2

Bay County, FL, List of Projects Recommended by the Bay County RESTORE Act Advisory Committee for Funding through the RESTORE Act Spill Impact Component (Pot 3)

20160803

(Approximately \$12.3 million will be available from the Spill Impact Component for Bay County projects. The balance of the cost is anticipated from other sources.)

Project listed in reverse alphabetical order, not prioritized

Project Name	Project Proposer	Total Project Cost	Project Cost to State Expenditure Plan	Project Description
St. Andrew Bay Water Quality Monitoring, Analysis and Reporting	Bay County/RMA	\$1,500,000	\$1,500,000	This project would provide \$100,000 annually for 15 years to the St. Andrew Baywatch/Resource Management Association for water quality monitoring and analysis/report card for St. Andrew Bay. Analyses would help focus water quality projects on areas most in need and help identify projects that would provide the best return on actions and infrastructure. Monitoring program data will also show the effect of water quality improvement projects.
St. Andrew Bay / Grand Lagoon Regional Stormwater Treatment Facility	Bay County Public Works	\$4,300,000	\$4,300,000	This project is a new 10 +/- acre stormwater treatment facility serving an existing 329 acre drainage basin which currently has little to no stormwater treatment being developed prior to stormwater regulations. The facility will provide an estimated annual reductions in nitrogen (1426 pounds, 43%), phosphorus (286 pounds, 65%) and sediments (58,243 pounds) to Grand Lagoon.
Septic Tank to Central Sewer – Deerpoint Lake Protection Zone (Phase 2)	Bay County Utility Services	\$4,500,000	\$4,500,000	Approximately 50 million gallons per day of water is pumped from the Deerpoint Lake, the main source of drinking water for Bay County. In addition to supplying drinking water, between 500 million and 1 billion gallons per day of fresh water spills over Deerpoint Dam into North Bay and subsequently into St. Andrew Bay. The quality of this water is extremely important to the sensitive ecological balance of the bay systems. Because of the absence of a centralized sewer system, there is a high density of septic tanks located within the Deerpoint Lake Protection Zone. A large percentage of the septic tanks in this area are old, failing, and/or do not meet the current standard for construction. This allows high levels of nutrients and bacteriological pollution to infiltrate Deerpoint Lake. As a result of septic tank removal, the water quality of the Deerpoint Lake Reservoir, North Bay and the entire St. Andrew Bay system will be greatly improved by reducing nutrient loading and bacteriological pollution. Phase 2 consists of providing a centralized sewer system within the western portion of the Deerpoint Lake Protection zone. The installation of this project will also provide the backbone for future phases of septic to sewer transition. Some matching State grant funding has been secured and other partnership opportunities are being developed.

Septic Tank to Central Sewer – Deerpoint Lake Protection Zone (Phase 1)	Bay County Utility Services	\$6,500,000	\$5,500,000	<p>Approximately 50 million gallons per day of water is pumped from Deerpoint Lake, the main source of drinking water for Bay County. In addition to supplying drinking water, between 500 million and 1 billion gallons per day of fresh water spills over Deerpoint Dam into North Bay and subsequently into St. Andrew Bay. The quality of this water is extremely important to the sensitive ecological balance of the bay systems.</p> <p>Because of the absence of a centralized sewer system, there is a high density of septic tanks located within the Deerpoint Lake Protection Zone. A large percentage of the septic tanks in this area are old, failing, and/or do not meet the current standard for construction. This allows high levels of nutrients and bacteriological pollution to infiltrate Deerpoint Lake.</p> <p>As a result of septic tank removal, the water quality of the Deerpoint Lake Reservoir, North Bay and the entire St. Andrew Bay system will be greatly improved by reducing nutrient loading and bacteriological pollution.</p> <p>Phase 1 consists of providing a centralized sewer system within the southwestern portion of the Deerpoint Lake Protection zone. The installation of this project will also provide the backbone for future phases of septic to sewer transition. Some matching State grant funding has been secured and other partnership opportunities are being developed.</p>
North Bay Unpaved Road Stabilization Project	Bay County Public Works	\$5,900,000	\$5,900,000	<p>The project includes the stabilization of approximately 11 miles of dirt roads which currently directly discharged into North Bay, the northern arm of St. Andrew Bay. The project will reduce by over 90 % the total suspended solids and other pollutants they carry into North Bay which is a conditionally approved shellfish (oyster) harvesting area. The reduction in sediments and pollutants will enhance the harvesting area.</p>
North Bay Raw Water Line	Bay County Utility Services	\$1,500,000	\$1,500,000	<p>Bay County Utility Services is working on a project to construct a wastewater reuse line from the North Bay Wastewater Treatment Facility (NBWWTF) to provide a cooling water supply for Gulf Power's Lansing Smith Power Plant. In order to implement the project, a new raw water line from Resota Beach Road to the NBWWTF will be required to supplement the reuse demands and provide sufficient capacity of cooling water to the Lansing Smith Plant. It is expected that the raw water demand will be reduced as effluent from the NBWWTF increases. This project is part of a Master Planning effort for improving water quality and implementing water conservation within the St. Andrews Bay watershed. This project will result in overall improved water quality by significantly reducing wastewater and pollutant discharges into North Bay.</p>

Currently, RiverCamps Subdivision and the Northwest Florida Beaches International Airport (NWFBI) wastewater is treated at the RiverCamps package treatment plant, which is approaching maximum capacity. Bay County Utility Services is working on a sewer forcemain project along Hwy 388 to divert the wastewater flow from the airport vicinity to the North Bay regional wastewater treatment and reuse facility and decommission the old River Camps wastewater treatment facility.

Expanding capacity at the River Camps package plant would have a much greater negative environmental impact on resources in the impaired West Bay waters than diverting flow to the already constructed North Bay Advanced Wastewater Treatment Facility that has available capacity and the current ability to deliver reuse quality water that the River Camp's plant does not. By eliminating the River Camps facility, nutrient loading into West Bay will be significantly reduced.

This project is part of a Master Planning effort to protect Class I (potable water) and Class II (shellfish harvesting) water ways and bayous by reducing nutrient loading with Advanced Wastewater Treatment methods and providing future reuse. This project will provide sewer service to the entire Hwy 388 corridor resulting in decreased environmental impacts to the St. Andrew Bay system, reduced annual utility operating costs, more employment opportunities and increased property values.

This project has completed 90% plans and documents for construction bid advertisement and the State Environmental Resource Permits (ERP) have been obtained. Some matching State grant funding has been secured and other partnership opportunities are being developed.

Highway 388 Sewer Forcemain / Reuse Line	Bay County Utility		
	Services	\$3,000,000	\$2,000,000
	Total cost	\$27,200,000	\$25,200,000

The Committee also recommended setting aside \$75,000 annually for bay water quality and habitat proposals that included matching funds.

Examples of projects include oyster re-shelling, seagrass restoration, living shorelines.