



DEPARTMENT OF THE ARMY
U.S. ARMY ENGINEER DISTRICT, SACRAMENTO
CORPS OF ENGINEERS
1325 J STREET
SACRAMENTO CA 95814-2922

REPLY TO
ATTENTION OF

May 8, 2008

Regulatory Branch (200500649)

Robert J. Uram
Sheppard, Mullin, Richter & Hampton, LLP
Four Embarcadero Center, 17th Floor
San Francisco, California 94111-4106

Dear Mr. Uram:

This concerns your request, on behalf of AKT Development, for a re-verification of our jurisdictional determination for AKT's Silva ranch site. This approximately 600-acre site is located on Laguna Creek in Sacramento County, California.

We understand that, with the exception of Zones 3-6 and the sturgeon ponds, AKT is no longer appealing our November 8, 2006, verification. Accordingly, our jurisdictional determination for the balance of the site, including Zones 1, 2, 7, Laguna Creek, Perennial Marsh 198, 207 and 208 and Seasonal Wetlands 240 and 241, remains valid for five years from the date of our verification letter, unless new information warrants revision of the determination before that expiration date.

With respect to the excepted areas identified above, we assume AKT has ceased irrigation activity and will provide any subsequent data collected to us for consideration when it is available, as described in your October 18, 2007, letter, presumably prior to December 31, 2008. We will consider all of the data available and schedule appropriate site visits during January, February and/or March of 2009 to evaluate the data and site conditions absent artificial irrigation. Once we have that data we will reconsider our verification for those portions pursuant to our South Pacific Division's May 18, 2007, Administrative Appeal Decision, as we agreed.

We want to bring this matter to a close as soon as possible. Please advise us if there is any problem with this plan and we will follow up accordingly.

Please refer to identification number 200500649 in any correspondence concerning this project. If you have any questions, please contact Mike Finan at the letterhead address, email Michael.c.finan@usace.army.mil, or telephone (916) 557-5324. You may also use our website: <http://www.spk.usace.army.mil/regulatory.html>.

Sincerely,

Original Signed

Michael Jewell
Chief, Regulatory Division

Copy furnished:

Mark Enes, AKT Development Corporation, 7700 College Town Drive, Suite 101, Sacramento, California 95826-2303

✓ Tom Cavanaugh, U.S. Army Corps of Engineers, South Pacific Division, 1455 Market Street, San Francisco, California 94103-1399