AGENDA

North Carolina Land and Water Fund
Board of Trustees Meeting
May 12, 2025, 2:00 p.m. – 5:00 p.m.

Trinity Center
618 Salter Path Rd
Pine Knoll Shores, NC 28512

This meeting will also be available to the public by teleconference. If any member of the public would like to join to the meeting via MS Teams or in person, please contact Terri Murray at teresa.murray@dncr.nc.gov or 919-707-9400 in advance to request a meeting invitation/call-in number or directions.

Board of Trustees:
John Wilson (Chair), Jimmy Broughton, Ann Browning, Amy Grissom, Clement Riddle, Mike Rusher, Jason Walser, Darrel Williams, David Womack

COMMENCEMENT

1) **Call to Order** (Chair – John Wilson)
   a) **Welcome**
   b) **Roll call**
   c) **Compliance with General Statute § 138A-15**

      General Statute § 138A-15 mandates that the Chair inquire as to whether any Trustee knows of any conflict of interest or the appearance of a conflict of interest with respect to matters on the agenda. If any Trustee knows of a conflict of interest or the appearance of a conflict of interest, please state so at this time.
   d) **Please put cell phones on vibrate or turn off, and if you are a guest joining remotely, please mute your audio and turn off your video unless you are called upon to speak**
   e) **Revisions, additions, and adoption of the agenda**

2) **Approval of minutes from the February 27, 2025 board meeting** (Chair – John Wilson)

3) **DNCR update** (DNCR Deputy Secretary – Jeff Michael)

4) **Executive Director's update** (Will Summer)

PUBLIC COMMENTS

The public is invited to make comments to the Board (Chair – John Wilson)

The NCLWF Guidelines and Practices Manual states that comments shall be limited to subjects of business falling within the jurisdiction of the NCLWF. The NCLWF welcomes public comments on general issues. Comments will not be allowed on individual projects before the NCLWF for funding during the regular meeting. Comments will be limited to three minutes per person.

BUSINESS

1) **Consideration of Acquisition Committee recommendations** (Chair – Amy Grissom)

   The committee will report on the following matters:

   a) **2000A-016 Town of Wake Forest Smith Creek Greenway Amendment Request** (Nicolle Montero/Justin Mercer) – A request to amend a conservation easement in Wake County.

   b) **2017-033 NCWRC Alcoa High Rock - City of Salisbury Water Intake Request** (Justin Mercer) – A request for disposition of 16.04 acres in Rowan County.

2) **Consideration of Restoration, Innovative Stormwater, and Planning Committee recommendations** (Chair – Ann Browning)

   The committee will report on the following matter:

   a) **Construction contract extensions** (Will Price) – A request to extend the deadline for construction contracts per statutory requirement.

3) **Stewardship report** (Justin Mercer) – Staff will present an end-of-year summary of the Stewardship Program.

4) **Endowment report and annual deposit / withdrawal request** (Justin Mercer) – Staff will summarize the endowment performance for the year and the recommended deposits and withdrawals.

5) **NCLWF Board Guidelines and Practices**

   a) **Annual reaffirmation of Guidelines and Practices** (Zoe Hansen Burnet) – Staff will recommend that the board reaffirm its current guidelines and practices.

   b) **Discussion of updates / edits to Guidelines and Practices** (Will Summer) – Staff will lead a discussion and seek input from trustees on potential items to revise or update for the next cycle.

ADJOURNMENT

(On May 13 from 8:30 - 5:00, staff and trustees will take a field tour to see previously funded projects in the region. Any member of the public is welcome to attend. Please contact Terri Murray at teresa.murray@dncr.nc.gov or 919-707-9400 in advance to request detailed tour itinerary)

Action Item

Staff members: Nicolle Montero

Agenda Item 1a) 2000A-016 Town of Wake Forest Smith Creek Greenway Amendment Request

The Town of Wake Forest is requesting an amendment to a conservation easement known as the "Cecil L. Shearon Tract" under the Town of Wake Forest Smith Creek Greenway Project to facilitate the construction of a paved greenway within the easement area.

Background

In 2000, the North Carolina Land and Water Fund awarded $1,128,300 to the Town of Wake Forest for the acquisition of conservation easements along the Neuse River, Smith Creek, and Tom's Creek. The project resulted in 7 easements held by the State of North Carolina through NCLWF.

The Town of Wake Forest is in the process of constructing a greenway trail through the property as is permitted by the conservation easement. In order to comply with modern accessibility standards, the proposed final impervious surface within the easement area is approximately 0.26 acres, or 6.53% of the conservation easement area. Currently, the conservation easement allows for up to 5% of total cleared, non-vegetated pervious and impervious surface areas associated with improvements within the easement area.

The Town of Wake Forest has requested that NCLWF increase the allowable impervious surface to facilitate the original intent to construct a public greenway trail

Committee recommendation

The Acquisition Committee recommends authorizing an amendment to the conservation easement to eliminate the reference of a cap on the percentage of total cleared, non-vegetated pervious and impervious surface areas associated with improvements with the understanding that NCLWF staff approval will be required prior to exercising any rights for allowed improvements.

Board action needed

Approve, amend, or deny the committee recommendation.

Attachments: Original Conservation Easement, Original Survey Plat, Easement Map, Proposed Disturbance Map, Amendment Request Letter, Cost Benefit Analysis Review Sheet

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WAKE COUNTY, NC 37
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
12/11/2003 AT 09:03:15

BOOK:010583 PAGE:02053 - 02065

Prepared by and return to:
Wyrick Robbins Yates & Ponton LLP (Box 210)
(DDM) (6461.064 - Shearon)

STATE OF NORTH CAROLINA **PIN:1841.08-99-6526;1841.20-90-8154**

COUNTY OF WAKE

CONSERVATION EASEMENT
CECIL L. SHEARON TRACT

THIS CONSERVATION EASEMENT ("**Conservation Easement**" or "**Easement**") is made on this 10th day of June, 2003, by and between the **TOWN OF WAKE FOREST**, a municipal corporation existing under the Laws of the State of North Carolina with an address at 401 Elm Avenue, Wake Forest, NC 27587-2932 ("**Grantor**" or "**Town**") and the **STATE OF NORTH CAROLINA**, with its address c/o State Property Office, 1321 Mail Service Center, Raleigh, NC 27699-13121 ("**State**" or "**Grantee**"), acting solely through the North Carolina Clean Water Management Trust Fund, with its address at 1651 Mail Service Center, Raleigh, NC 27699-1651 ("**Fund**").

RECITALS & CONSERVATION PURPOSES

A. Grantor is the sole owner in fee simple of the property being approximately 3.98 acres in Wake County, State of North Carolina and being all of that certain tract as more particularly described in **Exhibit A** attached hereto and by this reference incorporated herein ("**Property**"); and

B. Grantor has agreed to set aside the Property for the purpose of creating a Conservation Easement to preserve, enhance, restore, and maintain the natural features and resources of the Property, to provide habitat for native plants and animals, to improve and maintain water quality, and to control runoff of sediment (hereinafter the "Conservation Values").

C. The State of North Carolina will be the Grantee and holder of this Conservation Easement.

D. Fund is an agency of the State of North Carolina and is authorized by Article 13A, Chapter 113 of the North Carolina General Statutes ("N.C.G.S.") to finance projects and to acquire land and interests in land, including conservation easements for riparian buffers for the purposes of providing environmental protection for surface waters and urban drinking water supplies and establishing a network of riparian greenways for environmental, educational, and recreational uses.

E. The Grantor has received a grant from the Fund identified as Grant Agreement No. 2000A-016 for acquisition of the Property in consideration of which Grantor has agreed to convey to the State a Conservation Easement, subject to the Grantor's use of the Property for greenway purposes as stated herein. Grantor agrees that the Property will be conserved and managed in a manner that will protect the quality of the waters of Smith Creek and otherwise promote the public purposes authorized by Article 13A, Chapter 113 of the North Carolina General Statutes.

F. The Property is located adjacent to Smith Creek in the Neuse River Basin and the Property has been deemed by the State to qualify as a riparian buffer. The Grantor, State and the Fund (collectively referred to herein as the "Parties") recognize the need for addressing the clean up and prevention of pollution of the State's surface waters, and the establishment of a network of riparian buffers to promote fish and wildlife conservation, open space and scenic values. Furthermore, the Parties intend that the Conservation Values of the Property will be preserved and maintained according to those purposes set forth by the Grant Agreement entered into between the Grantor and the Fund dated 15th day of March, 2001, incorporated herein by reference, and available for inspection in the offices of the Grantor, Fund, and the North Carolina Department of Environment and Natural Resources.

G. The Parties acknowledge that the characteristics of the Property, its current use and state of improvement are described in **Exhibit B**, which is the appropriate basis for monitoring compliance with the objectives of preserving the conservation and water quality values; Exhibit B is not intended to preclude the use of other evidence (e.g. surveys, appraisals) to establish the present condition of the Property if there is a controversy over its use.

NOW, THEREFORE, in consideration of the premises and the mutual benefits recited herein, together with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the Grantor hereby irrevocably grants and conveys forever and in perpetuity, and the State accepts a grant of Conservation Easement of the nature and character and to the extent hereinafter set forth in, over, through and across the Property, together with the right to preserve and protect the Conservation Values thereof as described in the Recitals herein.

The purposes of this Conservation Easement are to provide environmental protection for surface waters and to protect the wildlife and natural heritage values and it shall be so held, maintained, and used therefor. It is the further purpose of this Conservation Easement to prevent any use of the Property that will significantly impair or interfere with the preservation of the Conservation Values. Grantor intends that this Conservation Easement will restrict the use of the Property to such activities as are consistent with the purposes of conservation.

ARTICLE I. DURATION OF EASEMENT

This Conservation Easement shall be perpetual. It is an easement in gross, runs with the land, and is enforceable by Grantee against Grantor, its representatives, successors, assigns, lessees, agents and licensees.

ARTICLE II. RIGHTS RESERVED TO GRANTOR

Grantor reserves certain rights accruing from the fee simple ownership of the Property, including the right to engage in or permit others to engage in uses of the Property that are not inconsistent with the purpose(s) of this Conservation Easement. All rights reserved by Grantor, and set forth below, are reserved for Grantor, its representatives, successors and assigns, and are considered to be consistent with the conservation purposes of this Conservation Easement. The following rights are expressly reserved:

1. Passive Recreational Use. The Grantor reserves the right to engage and permit others to engage in passive recreational uses as indicated by Grantor's "Open Space and Greenway Master Plan" dated November 20, 2001, and any Fund-approved amendments thereto requiring no surface alteration of the land and posing no threat to the Conservation Values, including, without limitation, walking, biking fishing, scientific study, animal and plant observation and any other purpose consistent with maintaining the Conservation Values.

2. Greenway Trails. Grantor reserves the right to construct a paved or unpaved greenway trail on the Property. All trails must be located in compliance with both the guidelines of the Fund and the Neuse River Riparian Area Rule (15A NCAC 2B.0233), unless such locations are physically impracticable. In the construction of such trails and when required by the terrain, boardwalks, ramps and handrails are permitted herein. The Grantor may also construct and maintain park benches, litter receptables, and trail/feature signs along the greenway trails.

3. Observation/Viewing Platforms. Grantor reserves the right to construct, maintain, and repair one (1) observation/viewing platform on the Property with optional bench seating, handrails, connecting steps and ramp as required by the terrain to be located on the bank of Smith Creek as allowed and approved by the North Carolina Division of Water Quality, provided such platform is connected to the greenway trail constructed on the Property.

4. Canoe/Kayak Access. Grantor reserves the right to construct, maintain and repair one (1) canoe/kayak access site on the Property with launch and chute to be located on the bank

of Smith Creek on the Property as allowed and approved by the North Carolina Division of Water Quality, provided such site is connected to the greenway trail constructed on the Property.

Notwithstanding the foregoing, the total cleared, and not revegetated, pervious and impervious surface areas associated with all aforesaid improvements, including, but not limited to, the greenway trail, observation/viewing platform, boardwalks, ramps, steps, canoe/kayak sites, etc., shall not exceed five percent (5%) of the total area of the Property. All amenities and improvements shall be subject to the prior approval of the Fund and to the terms set forth in the aforementioned Grant Agreement. The Town shall have the right and duty to maintain the Property in a clean, natural and undisturbed state, consistent with the Master Plan, and shall remain the fee owner of the Property for purposes of applicable land use regulations, and other applicable laws and ordinances. Furthermore, the Parties have no right to agree to any activity that would result in the termination of this Conservation Easement.

ARTICLE III. PROHIBITED AND RESTRICTED ACTIVITIES

Any activity on, or use of, the Property inconsistent with the purposes of this Conservation Easement is prohibited. The Property shall be maintained in its natural, scenic, wooded and open condition and restricted from any development or use that would impair or interfere with the conservation purposes of this Conservation Easement set forth above.

Except as expressly permitted by Grantor in Article II herein and without limiting the generality of the foregoing, the following activities and uses are expressly prohibited or restricted:

A. Industrial and Commercial Use. Industrial and commercial activities and any right of passage for such purposes are prohibited on the Property.

B. Agricultural, Timber Harvesting, Grazing and Horticultural Use. Agricultural, timber harvesting, grazing, horticultural and animal husbandry operations are prohibited on the Property.

C. Disturbance of Natural Features, Plants and Animals. There shall be no cutting or removal of trees, or the disturbance of other natural features except for the following: (1) as incidental to boundary marking, fencing, signage, construction and maintenance of nature trails and public access allowed hereunder; (2) selective cutting and prescribed burning or clearing of vegetation and the application of mutually approved pesticides for fire containment and protection, disease control, restoration of hydrology, wetlands enhancement and/or control of non-native plants; subject however, to the prior approval of Fund, and (3) hunting and trapping to the extent necessary to keep the animal population within numbers consistent with the ecological balance of the area as pursuant to applicable federal, state and local rules and regulations; and, (4) fishing pursuant to applicable rules and regulations.

D. Construction of Buildings and Recreational Use. Except as provided in Article II hereinabove, there shall be no constructing or placing of any building, mobile home, asphalt or concrete pavement (except for the Greenway Trail), billboard or other advertising display, antenna, utility pole, tower, conduit, line, pier landing, dock or any other temporary or permanent structure or facility on or above the Property except for the following: placing and display of signs identifying the Conservation Values of the Property, signs identifying the Grantor as owner of the Property and State as holder of this Conservation Easement and the Fund as the source of funding for the acquisition of this Property, educational and interpretative signs, identification labels or any other similar temporary or permanent signs, reasonably satisfactory to the Fund.

E. Mineral Use, Excavation, Dredging. There shall be no filling, excavation, dredging, mining or drilling; no removal of topsoil, sand, gravel, rock, peat, minerals or other materials, and no change in the topography of the land in any manner except as necessary for the purpose of combating erosion or incidental to any conservation management or Greenway activities otherwise permitted in this Conservation Easement.

F. Wetlands and Water Quality. There shall be no pollution or alteration of water bodies and no activities that would be detrimental to water purity or that would alter natural water levels, drainage, sedimentation and/or flow in or over the Property or into any surface waters, or cause soil degradation or erosion or diking, dredging, alteration, draining, filling or removal of wetlands, except activities to restore natural hydrology or wetlands enhancement as permitted by State and any other appropriate authorities.

G. Dumping. Dumping of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances, machinery or other materials on the Property is prohibited.

H. Conveyance and Subdivision. The Property may not be subdivided, partitioned nor conveyed, except in its current configuration as the entire parcel or block of property.

I. Mitigation. There shall be no use of the Property or any portion thereof to satisfy compensatory mitigation requirement under 33 U.S.C. Section 1344 or N.C.G.S. 143-214.11.

ARTICLE IV. ENFORCEMENT AND REMEDIES

A. Enforcement. To accomplish the purposes of this Conservation Easement, Grantee is allowed to prevent any activity on or use of the Property that is inconsistent with the purposes of this Conservation Easement and to require the restoration of such areas or features of the Property that may have been damaged by such activity or use. Upon any breach of the terms of this Conservation Easement by Grantor that comes to the attention of the Grantee, the Grantee shall, except as provided below, notify the Grantor in writing of such breach. The Grantor shall have ninety (90) days after receipt of such notice to begin undertaking actions that are reasonably calculated to correct promptly the conditions constituting such breach. If the breach remains uncured after ninety (90) days, the Grantee may enforce this Conservation Easement by appropriate legal proceedings seeking damages, injunctive and other relief. The Grantee shall also

have the power and authority, consistent with its statutory authority: (a) to prevent any impairment of the Property by acts which may be unlawful or in violation of this Conservation Easement; (b) to otherwise preserve or protect its interest in the Property; or (c) to seek damages from any appropriate person or entity. Notwithstanding the foregoing, the Grantee reserves the immediate right, without notice, to obtain a temporary restraining order or injunctive or other appropriate relief if the breach of the terms of this Conservation Easement is or would irreversibly or otherwise materially impair the benefits to be derived from this Conservation Easement. The Grantor and Grantee acknowledge that under such circumstances, damage to the Grantee would be irreparable and remedies at law will be inadequate. The rights and remedies of the Grantee provided hereunder shall be in addition to, and not in lieu of, all other rights and remedies available to Grantee in connection with this Conservation Easement.

B. Right of Entry and Inspection. Grantee, its employees, agents, successors and assigns, have the right, with reasonable notice, to enter the Property at reasonable times for the purpose of inspecting the Property to determine whether the Grantor, Grantor's representatives, or assigns are complying with the terms, conditions and restrictions of this Conservation Easement.

C. Acts Beyond Grantor's Control. Nothing contained in this Conservation Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury or change in the Property resulting from causes beyond the Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken in good faith by the Grantor under emergency conditions to prevent, abate, or mitigate significant injury to life, damage to property or harm to the Property resulting from such causes.

D. Costs of Enforcement. Any costs incurred by Grantee in enforcing the terms of this Conservation Easement against Grantor, including, without limitation, any costs of restoration necessitated by Grantor's acts or omissions in violation of the terms of this Conservation Easement, shall be borne by Grantor.

E. No Waiver. Enforcement of this Conservation Easement shall be at the discretion of the Grantee and any forbearance by Grantee to exercise its rights hereunder in the event of any breach of any term set forth herein shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or of any other term of this Conservation Easement or of Grantee's rights. No delay or omission by Grantee in exercise of any right or remedy shall impair such right or remedy or be construed as a waiver.

ARTICLE V. DOCUMENTATION AND TITLE

A. Property Condition. The parties acknowledge that the Property is currently undeveloped land, with no improvements other than as described in **Exhibit B** and easements and rights of way of record.

B. Title. The Grantor covenants and represents that the Grantor is the sole owner and is seized of the Property in fee simple and has good right to grant and convey the aforesaid

Conservation Easement; that there is legal access to the Property, that the Property is free and clear of any and all encumbrances, except easements of record, none of which would nullify, impair or limit in any way the terms or effect of this Conservation Easement; Grantor shall defend its title against the claims of all persons whomsoever, and Grantor covenants that the Grantee shall have the use of and enjoy all of the benefits derived from and arising out of the aforesaid Conservation Easement.

ARTICLE VI. MISCELLANEOUS

A. Subsequent Transfers. Grantor hereby covenants and agrees that, in the event it transfers or asigns the Property, the transferee of the Property will be a qualified organization as that term is defined in Section 170(h)(3) of the Internal Revenue Code of 1986, as amended, or any successor section, and the regulations promulgated thereunder (the "Internal Revenue Code"), which is organized or operated primarily for one of the conservation purposes specified in Section 170(h)(4)(A) of the Internal Revenue Code. Grantor agrees for itself, its successors and assigns to notify Grantee in writing of the name and address of any party to whom the Property is to be transferred at or prior to the time said transfer is consummated. Grantor further agrees to make specific reference to this Conservation Easement in a separate paragraph of any subsequent lease, deed or other legal instrument by which any interest in the Property is conveyed.

B. Conservation Purpose.

(1) Subject to the uses specifically reserved herein to the Grantor, Grantee and the Grantor, and for their respective successors and assigns, agree that this Conservation Easement shall be held exclusively for conservation purposes.

(2) The parties hereto recognize and agree that the benefits of this Conservation Easement are in gross and assignable, provided, however that the Grantee hereby covenants and agrees, that in the event it transfers or assigns this Conservation Easement, the organization receiving the interest will be a qualified organization as that term is defined in Section 170(h)(3) of the Internal Revenue Code, which is organized or operated primarily for one of the conservation purposes specified in Section 170 (h)(4)(A) of the Internal Revenue Code, and Grantee further covenants and agrees that the terms of the transfer or assignment will be such that the transferee or assignee will be required to continue to carry out in perpetuity the conservation purposes that the contribution was originally intended to advance, set forth in the Recitals herein.

(3) Unless otherwise specifically set forth in this Conservation Easement, nothing herein shall convey to or establish for the public a right of access over the Property. The Parties recognize and agree that the Property is open for public entry and use, and shall be open to entry and use equally by all persons, regardless of race, color, creed, national origin, or residence, subject to reasonable published and posted rules governing use of the Property by the Grantor, as approved by the Fund, and consistent with the conservation purposes provided by this Conservation Easement.

C. Construction of Terms. This Conservation Easement shall be construed to promote the purposes of the North Carolina enabling statute set forth in N.C.G.S. §121-34 et. seq. which authorizes the creation of Conservation Easements for purposes including those set forth in the Recitals herein, and the conservation purposes of this Conservation Easement, including such purposes as are defined in Section 170(h)(4)(A) of the Internal Revenue Code.

D. Recording. The State shall record this instrument and any amendment hereto in timely fashion in the official records of Wake County, North Carolina, and may re-record it at any time as may be required to preserve its rights.

E. Notices. All notices, requests or other communications permitted or required by this Agreement shall be sent by registered or certified mail, return receipt requested, addressed to the Parties as set forth above, or to such other addresses such party may establish in writing to the other. In any case where the terms of this Conservation Easement require the consent of any party, such consent shall be requested by written notice. Such consent shall be deemed denied unless, within ninety (90) days after receipt of notice, a written notice of approval and the reason therefor has been mailed to the party requesting consent.

F. Amendments. Grantor and Grantee are free to jointly amend this Conservation Easement to meet changing conditions, provided that no amendment will be allowed that is inconsistent with the purposes of this Conservation Easement or affects the perpetual duration of this Conservation Easement. Such amendment(s) require the written consent of both Grantor and Grantee and shall be effective upon recording in the public records of Wake County, North Carolina.

G. Environmental Condition of Property. The Grantor warrants and represents to the Grantee that, after making reasonable inquiry and investigation, it has no knowledge of hazardous materials, wastes or environmentally regulated substances (including, without limitation, any materials containing asbestos) located on, in or under the Property or used in connection therewith, and that, to its knowledge, the Property is in compliance with all applicable federal, state and local environmental laws and regulations. The Grantor further warrants and represents that, to its knowledge, there is no illegal or hazardous environmental condition existing on the Property that would impair or diminish the Conservation Values of the Property or the quality of adjacent waters. The Grantor warrants and agrees that it will not knowingly use, suffer or cause to exist on or within the Property an environmentally regulated, hazardous, or illegal substance which might impair, diminish or threaten the conservation or water quality values of the Property.

H. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings or agreements relating to the Conservation Easement. If any provision is found to be invalid, the remainder of the provisions of this Conservation Easement, and the application of such provision to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

I. Indemnity. To the extent it is authorized by law, the Grantor agrees to defend, protect, idemnify, and hold harmless the Grantee, its successors and assigns, from and against all claims, actions, liabilities, damages, fines, penalties, costs and expenses resulting from (1) the intentional or negligent misrepresentation of the environmental condition of the Property; or (2) any action or forbearance by the Grantor in the future which causes or contributes to the existence of any environmentally hazardous or illegal condition on the Property harmful to the environmental, conservation or water quality values of the Property.

J. Interpretation. This Conservation Easement shall be construed and interpreted under the laws of the State of North Carolina, and any ambiguities herein shall be resolved so as to give maximum effect to the conservation purposes sought to be protected herein.

K. Parties. Every provision of this Conservation Easement that applies to the Grantor or to the Grantee shall likewise apply to its respective assigns and grantees and all other successors in interest herein.

L. Merger. The parties agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interest in the Property.

M. Subsequent Liens. No provisions of this Conservation Easement shall be construed as impairing the ability of Grantor to use this Property for collateral for borrowing purposes, provided that any mortgage or lien arising therefrom shall be subordinate to this Conservation Easement.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS]

TO HAVE AND TO HOLD unto THE STATE OF NORTH CAROLINA, its successors and assigns, forever. The covenants agreed to and the terms, conditions, restrictions and purposes imposed as aforesaid shall be binding upon Grantor, Grantor's representatives, successors and assigns, and shall continue as a servitude running in perpetuity with the Property.

IN WITNESS WHEREOF, Grantor, by authority duly given, has hereunto caused these presents to be executed by its authorized officer, to be effective the day and year first above written.

GRANTOR:

THE TOWN OF WAKE FOREST, a municipal corporation

BY: _____
Roe O'Donnell, Deputy Town Manager

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, Paula P. Smith, Notary Public, do hereby certify that Roe O'Donnell personally came before me this day and acknowledged that he is Deputy Town Manager of the Town of Wake Forest, a municipal corporation existing under the Laws of the State of North Carolina, and that by authority duly given and as the act of the Town, the foregoing instrument was signed in its name by its Deputy Town Manager.

Witness my hand and notarial seal, this the 6th day of June, 2003.

_____
Notary Public

My commission expires: January 8, 2006

PAULA P. SMITH
Notary Public
WAKE COUNTY, N.C.
My Commission Expires _____

EXHIBIT A

BEING all of Lots 1B, 2B and 3B, as shown on plat prepared by W. Graham Cawthorne, Jr., Registered Land Surveyor, dated April 2, 1993 and entitled "Survey for Cecil L. Shearon" recorded in Book of Maps 1993, Page 596, Wake County Registry.

EXHIBIT B

Site Characteristics:

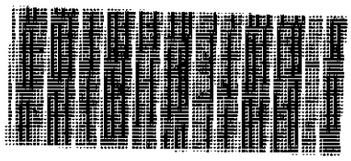
The Property consists of a "dog-leg" shaped tract of land with approximately 113 feet of frontage on the north side of NC Highway 98. Smith Creek runs along the western edge of the Property. Portions of the Property are comprised of creek bottoms and creek banks. A 20+/- foot wide sanitary sewer easement runs through the central portion of the Property. The eastern portion of the Property slopes abruptly in an east to west direction with runoff into Smith Creek. The western portion of the Property consists of flood lands.

Site Improvements:

There are no improvements of value on the Property.

Current and Past Usage:

The Property has been platted into three lots, 1B, 2B and 3B. Due to the shape and topographical features of these lots, it would be extremely difficult, if not impossible to develop the three lots as three separate building sites. No structures exist on the Property.



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Yellow probate sheet is a vital part of your recorded document.
Please retain with original document and submit for rerecording.

WAKE COUNTY
NORTH CAROLINA

Wake County Register of Deeds
Laura M. Riddick
Register of Deeds

North Carolina – Wake County

The foregoing certificate___ of Paula P. Smith

_____

_____

_____

_____

_____ Notary(ies) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time and in the book and page shown on the first page hereof.

Laura M. Riddick, Register of Deeds

By: _____
Assistant/Deputy Register of Deeds

This Customer Group

_____ # of Time Stamps Needed

This Document

_____ New Time Stamp

13 # of Pages

22.004–7/11/03

BOOK 1993 - PAGE 596

CERTIFICATE OF OWNERSHIP AND DEDICATION
I HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON WHICH IS LOCATED IN THE SUBDIVISION JURISDICTION OF WAKE FOREST, AND THAT I HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH MY FREE CONSENT, ESTABLISH MINIMUM BUILDING SETBACKS, AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS, AND OTHER SITES AND EASEMENTS TO PUBLIC OR PRIVATE USE AS NOTED. FURTHERMORE, I DEDICATE ALL SANITARY SEWER, STORM SEWER, AND WATER LINES TO THE TOWN OF WAKE FOREST.

Cecil L. Shearon
OWNER

APPROVED FOR RECORDING BY THE TOWN OF WAKE FOREST.

5-20-93 Mathew Carroll Moran
DATE TOWN CLERK

I, W. GRAHAM CAWTHORNE JR., CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION; THAT THE SOURCE OF INFORMATION FOR THE SURVEY IS SHOWN HEREON; THAT THE BOUNDARIES NOT SURVEYED ARE CLEARLY INDICATED; THAT THE RATIO OF PRECISION IS GREATER THAN 1:10,000; THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED. WITNESS MY ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL THIS 12th DAY OF May ,1993.

W Graham Cawthorne
REGISTERED LAND SURVEYOR (L-2923)

NORTH CAROLINA REGISTERED SEAL L-2923 LAND SURVEYOR W. GRAHAM CAWTHORNE, JR.

NORTH CAROLINA, WAKE COUNTY.
I, SHEILA A. WILLIAMS, A NOTARY PUBLIC OF THE COUNTY AND STATE AFORESAID, CERTIFY THAT W. GRAHAM CAWTHORNE JR., A REGISTERED LAND SURVEYOR, PERSONALLY APPEARED BEFORE ME THIS DAY AND ACKNOWLEDGED THE EXECUTION OF THE FOREGOING INSTRUMENT. WITNESS MY HAND AND OFFICIAL SEAL, THIS 11th DAY OF May ,1993.

Sheila A. Williams
NOTARY PUBLIC

MY COMMISSION EXPIRES FEBRUARY 18, 1998.

NORTH CAROLINA, WAKE COUNTY
THE FOREGOING CERTIFICATE OF SHEILA A. WILLIAMS, NOTARY PUBLIC, IS CERTIFIED TO BE CORRECT. THIS INSTRUMENT WAS PRESENTED FOR REGISTRATION AND RECORDED IN THIS OFFICE. THIS 26 DAY OF May ,1993 AT 9:55 O'CLOCK A .M.
KENNETH C. WILKINS REGISTER OF DEEDS

BY Cassandra D Morgan
DEPUTY REGISTER OF DEEDS

RECORDED IN B.M. 1993 PG. 596

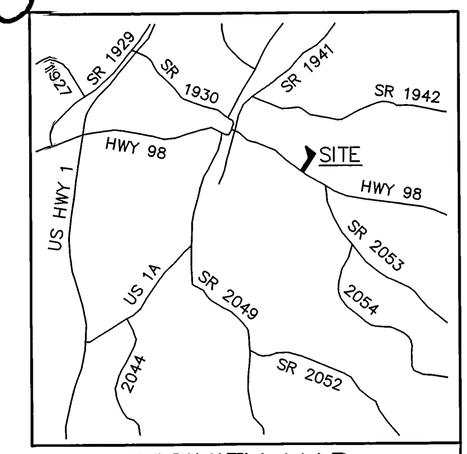
MINIMUM BUILDING RESRICTIONS

FRONT	30'
REAR	25'
SIDE	10'
MINIMUM WIDTH AT BUILDING LINE	75'

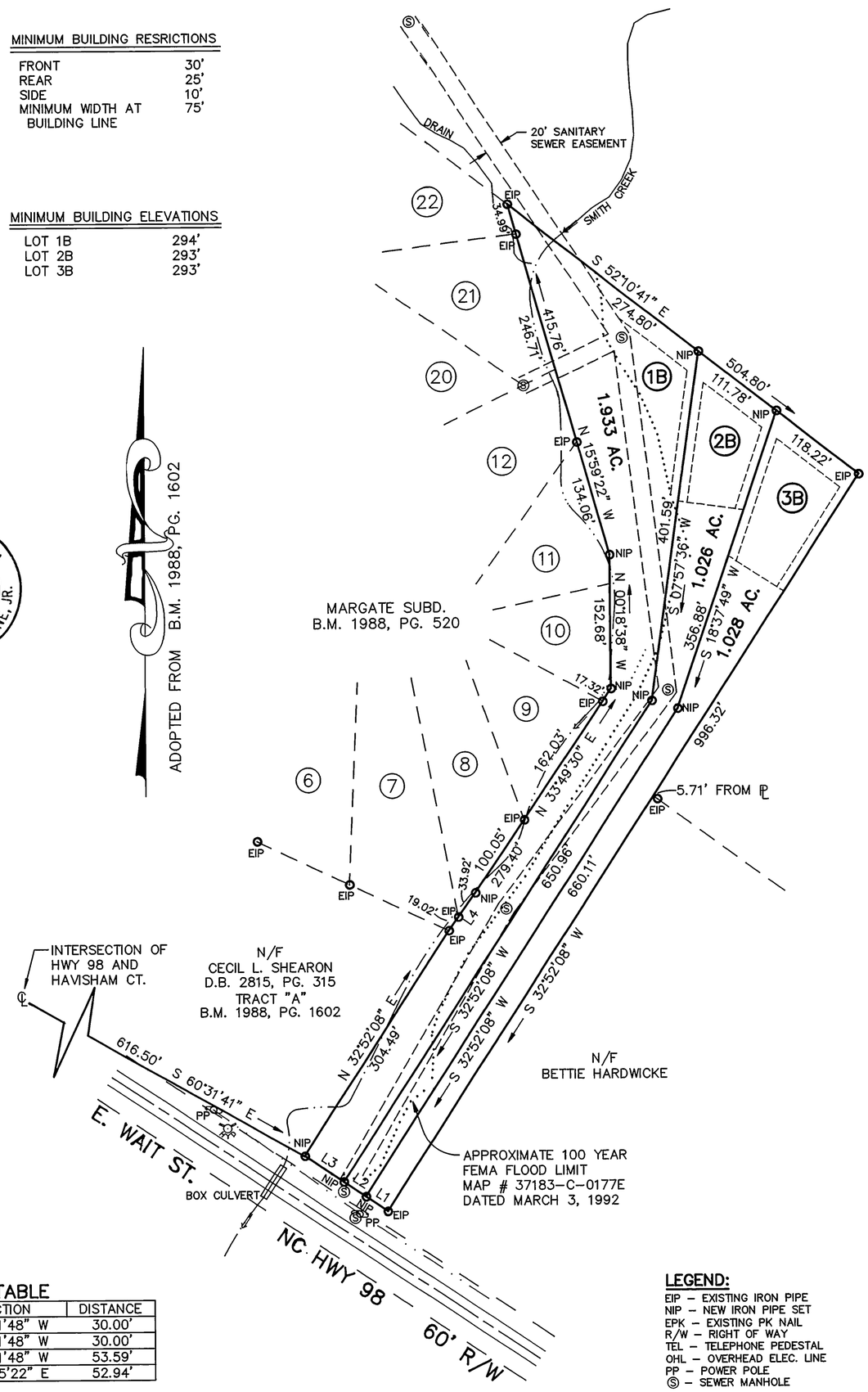
MINIMUM BUILDING ELEVATIONS

LOT 1B	294'
LOT 2B	293'
LOT 3B	293'

ADOPTED FROM B.M. 1988, PG. 1602



VICINITY MAP



OWNER:
CECIL L. SHEARON
2701 WATERLOO CT.
RALEIGH, N.C. 27613
846-6645

SURVEY FOR

CECIL L. SHEARON

REF: D.B. 2818, PG. 315
TRACT "B"
B.M. 1988, PG. 1602

TOWN OF WAKE FOREST

WAKE COUNTY, NORTH CAROLINA

APRIL 2, 1993

100 50 0 100 200
SCALE 1"=100'

TAX MAP 108, PARCELS 208 & 31
ZONED R-1

I, W. GRAHAM CAWTHORNE JR., REGISTERED LAND SURVEYOR NO. L-2923, CERTIFY THAT THIS PLAT IS OF A SURVEY THAT CREATES A SUBDIVISION OF LAND WITHIN THE AREA OF A COUNTY OR MUNICIPALITY THAT HAS AN ORDINANCE THAT REGULATES PARCELS OF LAND.

W Graham Cawthorne
W. GRAHAM CAWTHORNE JR., REGISTERED LAND SURVEYOR NO. L2923

(ACAD DWG. CLSHERON)

N
W E
S

LINE TABLE

LINE	DIRECTION	DISTANCE
L1	N 56°11'48" W	30.00'
L2	N 56°11'48" W	30.00'
L3	N 56°11'48" W	53.59'
L4	N 35°45'22" E	52.94'

LEGEND:
EIP - EXISTING IRON PIPE
NIP - NEW IRON PIPE SET
EPK - EXISTING PK NAIL
R/W - RIGHT OF WAY
TEL - TELEPHONE PEDESTAL
OHL - OVERHEAD ELEC. LINE
PP - POWER POLE
Ⓢ - SEWER MANHOLE

W. GRAHAM CAWTHORNE, JR., REGISTERED LAND SURVEYOR, 239 EAST OWEN AVE., P.O. BOX 1253, WAKE FOREST N.C., 27588, (919) 556-3148

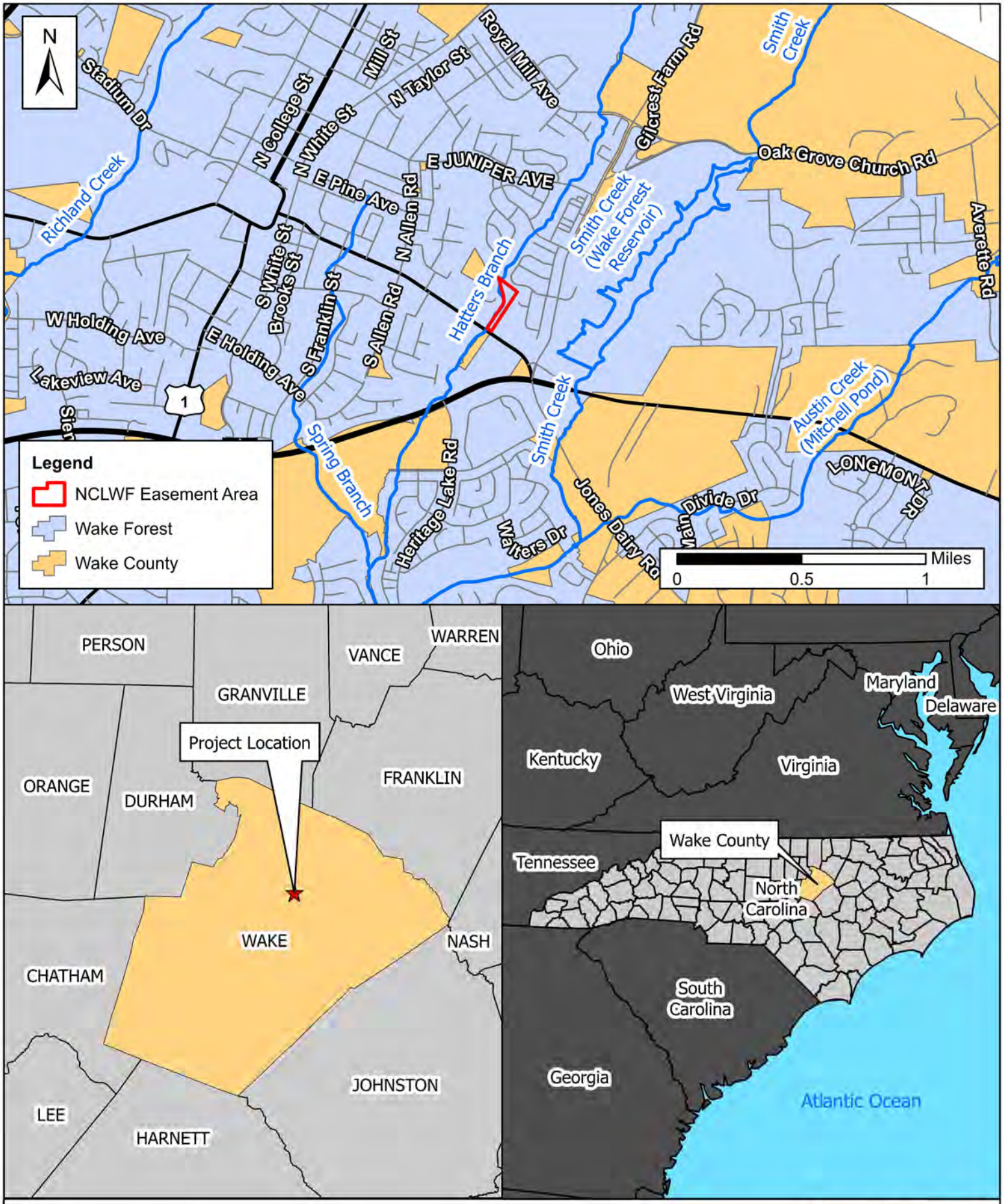
93-2634

2000A-016: Shearon Tract

Property of Town of Wake Forest
Wake County - 3.98 acres
Map created by Nicolle Montero, NCLWF 4/23/25
NC OneMap 2021 Imagery

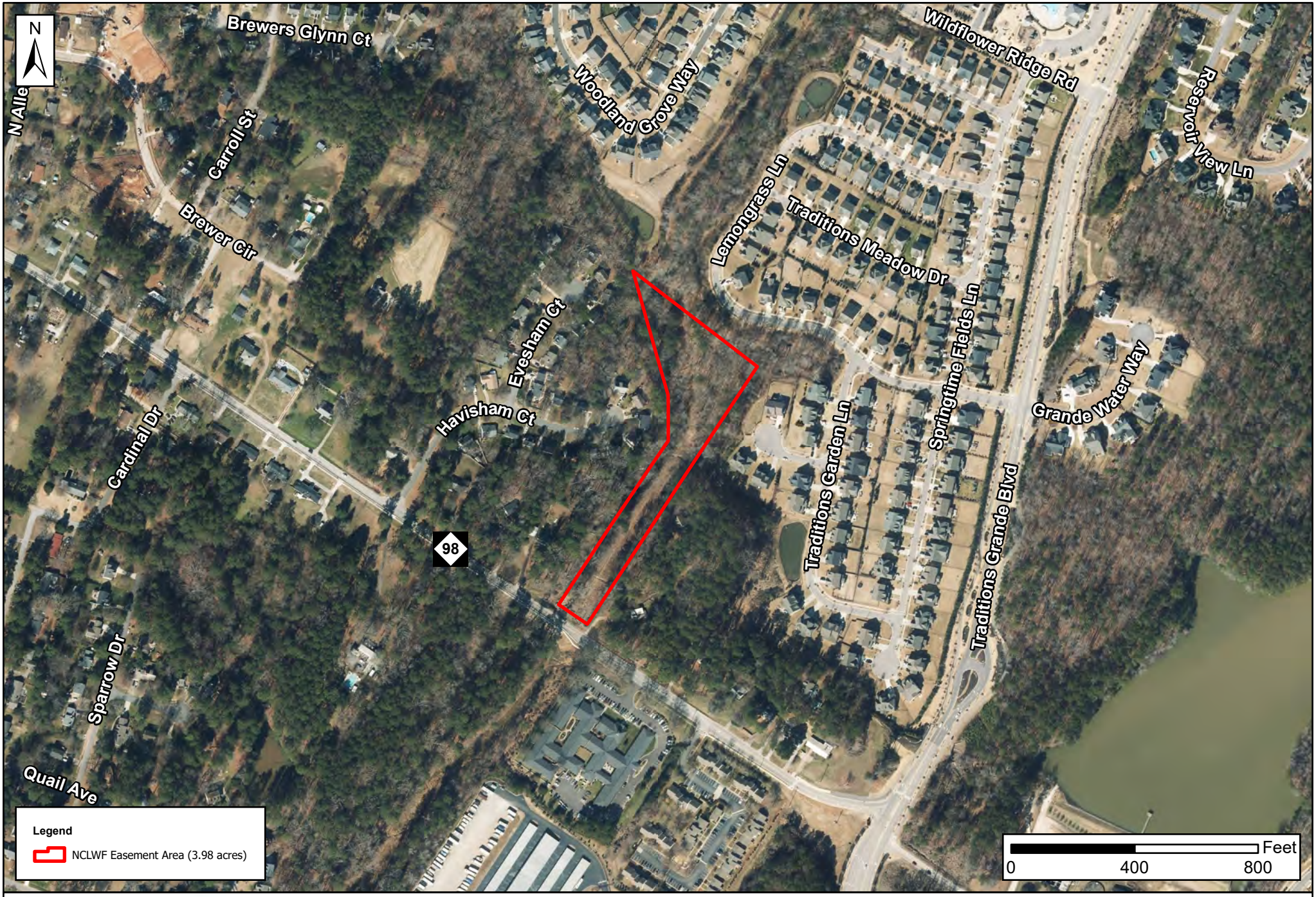
Legend

- Shearon Tract
- Town of Wake Forest
- Private
- Streams
- Roads



Kimley»Horn

Figure 1: Vicinity Map
Dunn Creek Greenway Phase 3 - NCLWF Easement
Wake Forest, Wake County, NC
April 2025



Kimley»Horn

Figure 2: Aerial Imagery Map
Dunn Creek Greenway Phase 3 - NCLWF Easement
Wake Forest, Wake County, NC
April 2025

Kimley»Horn

Figure 3: Proposed Disturbance Map
Dunn Creek Greenway Phase 3 - NCLWF Easement
Wake Forest, Wake County, NC
April 2025

April 8, 2025

Justin E Mercer, Stewardship Program Manager
North Carolina Land and Water Fund
Nature Research Center - 121 West Jones Street
1651 Mail Service Center
Raleigh, NC 27699

RE: ***Conservation Agreement Amendment Request for the Cecil L. Shearon Tract in the Town of Wake Forest, NC***

On behalf of the Town of Wake Forest, Kimley-Horn is submitting this letter to request an amendment to allow for the construction of a greenway trail resulting in impervious surface areas that would exceed 5% of the total area of the North Carolina Land and Water Fund (NCLWF) conservation easement located on the Wake County Property Parcel PINs 1841908154 and 1840996526 known as the Cecil L. Shearon Tract.

The following information is provided to support this request in accordance with the guidance put forth in the NCLWF ***Stewardship Program Guidelines and Practices: Conservation Agreement Amendment Guidelines and Practices***:

A) Property Owner Contact:

a) Nick Nolte, Stormwater Utility Manager
301 S. Brooks Street
Wake Forest, NC 27587
Office: 919-435-9510; Mobile: 919-353-7203
Email: nnolte@wakeforestnc.gov

B) Nature of Proposed Activity: The Town of Wake Forest proposes to construct a publicly accessible American Association of State Highway and Transportation Officials (AASHTO) compliant, greenway (asphalt path) through the NCLWF conservation easement area known as the Cecil L. Shearon Tract. The Cecil L. Shearon Tract is 3.98 acres. The proposed final impervious surface within the conservation easement is approximately 0.26 acre which would only be approximately 6.53% of the conservation easement area. The areas disturbed outside of the proposed impervious surface will be revegetated and restored upon completion of construction activities.

C) Location of Proposed Activity: A copy of the Cecil L. Shearon Tract conservation easement (Wake County Book 10583 Pages 2053-2056) and survey plat map (Wake County Book of Maps 1993 Page 596) are attached for reference (**Attachments A-B**). Additionally, map figures and greenway plan sheets are attached to depict the easement location and proposed disturbance activities (**Attachments C-D**)

D) **Map of Disturbance Area:** See map Figure 3. Proposed Disturbance Map (**Attachment C**).

E) **Avoidance and Minimization Discussion:** Based on the current AASHTO Guide for Development of Bicycle Facilities a greenway should be designed between 10' and 14' to allow for safe two-way pedestrian and bicycle traffic. The Town of Wake Forest design standards allow a 10' greenway to be installed, and therefore, the proposed Dunn Creek Greenway Phase 3 is designed to meet and not exceed the minimum design standards. Further, a majority of the proposed greenway path is planned to be located within an existing sanitary sewer utility easement that has been previously disturbed and cleared. The colocation of the proposed greenway trail within the sanitary sewer utility easement will minimize additional tree clearing and disturbance. The proposed greenway has been designed to efficiently cross the conservation easement with the minimal amount of disturbance practicable. The areas outside of the impervious greenway path will be restored and revegetated post-construction.

F) **Best Management and/or Restoration Practices:** This project's sediment and erosion control measures were designed to meet the NC Department of Environmental Quality (NCDEQ) standards and restoration practices. The areas within the project LOD, outside of the asphalt greenway path, will be restored and revegetated with native vegetation in accordance with Riparian Seed Mix located in Table 2 on page EC-13 of the site plans (**Attachment D**).

G) **Acknowledgement of Receipt of the NCLWF *Conservation Agreement Amendment Guidelines and Practices*:** A copy of the NCLWF Conservation Agreement Amendment Guidelines and Practices was received in an email from Justin E. Mercer on March 27, 2025.

The following language is proposed to replace the final paragraph of *Article II. Rights Reserved to Grantor* of the Cecil L. Shearon Tract conservation easement (**Attachment A**) in order to allow for construction of the proposed greenway within the conservation easement:

> *Notwithstanding the foregoing, the total cleared, and not revegetated, pervious and impervious surface areas associated with all aforesaid improvements, including, but not limited to, the greenway trail, observation/viewing platform, boardwalks, ramps, steps, canoe/kayak sites, etc., shall not exceed* ***ten percent (10%)*** *of the total area of the Property. All amenities and improvements shall be subject to the prior approval of the Fund and to the terms set forth in the aforementioned Grant Agreement. The Town shall have the right and duty to maintain the Property in a clean, natural and undisturbed state, consistent with the Master Plan, and shall remain the fee owner of the Property for purposes of applicable land use regulations, and other applicable laws and ordinances. Furthermore, the Parties have no right to agree to any activity that would result in the termination of this Conservation Easement.*

Please contact me at (919) 576-0958 or ross.sullivan@kimley-horn.com should you need any further information to assist you in processing this request.

Sincerely,

Ross Sullivan, PWS, ISA-CA
Senior Environmental Scientist

NCLWF Conservation Benefit Analysis Review Sheet

Created 4/23/25 by Nicolle Montero

Project Number	Project Name	Requesting Party
2006A-016	Smith Creek Greenway	Town of Wake Forest

Score Differential G/Y/R	Resource	Current restrictions	Amended Restrictions
0	**Riparian Buffer**	**Resource Name:** Hatters Branch **Classification:** C, NSW **ARS Score:** 33	**Resource Name:** Hatters Branch **Classification:** C, SW **ARS Score:** 33
N/A	**Historic and Cultural**	**Resource Name:** **Classification:** **ARS Score:**	**Resource Name:** **Classification:** **ARS Score:**
N/A	**Natural Heritage**	**Resource Name:** **Classification:** **ARS Score:**	**Resource Name:** **Classification:** **ARS Score:**
-3	**Riparian Greenway**	**Resource Name:** Dunn Creek Greenway **ARS Score:** 48	**Resource Name:** Dunn Creek Greenway **ARS Score:** 45

NCLWF Staff Comments and Interpretation:
The score differential is -3 points due to the increase in impervious surface for the Riparian Greenway resource. However, it could be argued that the Riparian Greenway score could be reduced to 0 for the current easement since a greenway cannot be constructed to current standards within the terms of the easement as they exist with a cap on impervious surface. In that case, the score differential would be +45 in favor of the proposed amendment.

Notes: Review sheet should be completed for all requests to amend NCLWF conservation agreements. All resources to be impacted should be documented in the appropriate cell. If a given resource is not impacted, replace text in the designated cell with "N/A." The "Score Differential G/Y/R" column should be color-coded to represent a positive conservation benefit (green), a neutral conservation impact (yellow), or a negative conservation impact (red).

Action Item

Staff member: Justin Mercer

Agenda Item 1b) 2017-033 NCWRC Alcoa High Rock - City of Salisbury Water Intake Request

The City of Salisbury, in coordination with the NC Wildlife Resources Commission, is requesting an exchange of land acquired partially with NCLWF funds to facilitate the replacement of the City's drinking water intake infrastructure.

Background

In 2017, the North Carolina Land and Water fund awarded $1,200,000 to the North Carolina Wildlife Resources Commission towards the acquisition of approximately 2,465 acres along the Yadkin River, South Yadkin River, and High Rock Lake in Davie, Davidson, and Rowan Counties. The majority of the land acquired by NCWRC through this grant is currently undergoing the dedication process with the NC Natural Heritage Program.

The City of Salisbury has approached NCWRC with a request to acquire a disjunct portion of this land at the confluence of Deals Creek and the Yadkin River to build a new drinking water intake. The existing intake is approximately 1,400 feet upstream of the subject parcel. Flooding of low-lying sections of the public road in recent years has prevented access by City personnel and contributed to an inability to make emergency repairs. Replacing this infrastructure would provide better and more consistent service to the City's drinking water customers.

The City is requesting approval to acquire approximately 15.83 acres of unencumbered land owned by the NC Wildlife Resources Commission. In exchange, they are offering approximately 19.64 acres of City-owned land immediately upstream on Deals Creek.

Committee recommendation

The Acquisition Committee recommends supporting the request for exchange of parcels and recommends the NCWRC have qualifying portions of the proposed exchange parcels restricted by Articles of Dedication under the State Nature Preserves Act.

Board action needed

Approve, amend, or deny the committee recommendation.

Attachments: Request Packet, Maps, Conservation Benefit Analysis Review Sheet

DRAFT

CONSERVATION AGREEMENT AMENDMENT REQUEST

City of Salisbury, North Carolina - Yadkin River Raw Water Supply Facilities Project

BLACK & VEATCH PROJECT NO. 415045
BLACK & VEATCH FILE NO. 32.0000

PREPARED FOR

City of Salisbury

16 JANUARY 2025

BLACK & VEATCH

Table of Contents

LIST OF TABLES

LIST OF FIGURES

1.0 Project Background Information

The City of Salisbury (City) and Black & Veatch have been working with the North Carolina Wildlife Resources Commission (NCWRC) for over a year on acquisition of a parcel of state land needed to relocate and construct the Yadkin River Raw Water Supply Facilities Project (YRRWSF) and associated facilities to protect the City's water supply against flooding and to remedy the City's inability to access the water intake caused by the river flooding the road during flood events. The parcel of state land needed for the project was acquired by the state and partially funded through the North Carolina Land and Water Fund (NCLWF). The NCLWF is part of the North Carolina Department of Natural and Cultural Resources, and its personnel oversee and ensure the permanent protection of conservation agreements held by NCLWF.

The parcel of state land needed for this project was acquired with NCLWF funds and is currently in state ownership with NCWRC, but is not yet subject to a permanent conservation agreement. However, the NCLWF has recommended that the best process to use to request acquisition of this parcel by the City is to request amendment of a conservation agreement. NCLWF works with municipalities and other state agencies to accommodate public works projects, particularly those that provide the public with access to safe drinking water like the YRRWSF, and has provided Conservation Agreement Amendment Guidelines and Practices to follow for this application. The City and Black & Veatch acknowledge receipt of these Guidelines and have followed them to provide the information requested in the text and appendices included with this application document.

1.1 Location and Description of the Project

The City of Salisbury is in the Piedmont region of North Carolina and is an important center for agriculture, education, and industry. Salisbury is characterized by rolling hills, forests, and farmland, and is the largest city in Rowan County. The Yadkin River flows through the eastern part of the City and provides opportunities for recreational water activities in addition to the county's water supply. Salisbury is home to approximately 35,808 people, while Rowan County has a population of approximately 149,645 based on projected US Census Bureau data (US Census Bureau 2022).

Salisbury-Rowan Utilities (SRU) provides water and wastewater services for Salisbury, Granite Quarry, Rockwell, Spencer, China Grove, and some unincorporated areas within Rowan County. The current average daily water demand is approximately 9 million gallons per day, with peaks of approximately 12 million gallons per day. The local water treatment plant located in downtown Salisbury has a permitted capacity of 24 million gallons per day, with an Actiflo pretreatment system rated for 32 million gallons per day.

Raw water is supplied to the WTP from the raw water pumping station, which is located at the end of Hannah Ferry Road at the confluence of the Yadkin and South Yadkin Rivers. The intakes are located in the Yadkin River, just upstream of the confluence, pulling water from the Yadkin River. The original raw water pump station and intake were constructed in 1917, and the pump station was modified in 1968 when the current raw water pump station was constructed adjacent to the existing pump station structure, using the existing structure as a support for the electrical room. A second intake structure was constructed near the first intake in 1969, and both intakes are used to supply raw water to the raw water pump station.

The raw water pump station currently houses three vertical turbine pumps that pump water through a 42-inch raw water force main up Hannah Ferry Road and Old Mocksville Road to the 17 million gallon and 11 million gallon raw water reservoirs located near the corner of East Ridge Road and Old Mocksville Road.

Raw water flows by gravity from the reservoirs to the water treatment plant. SRU operates the raw water pump station during off-peak power times to benefit from the reduced energy cost, pumping up to 16 hours per day.

The purpose of the Proposed Action (or Project) is to construct more resilient drinking water supply infrastructure for residential and commercial customers in the municipalities of Salisbury, Granite Quarry, Spencer, East Spencer, China Grove, Rockwell, and some unincorporated areas within Rowan County, North Carolina. The need for the project is in response to recent flooding events which have inundated the existing access road and forced the shutdown of the existing pump station, rendering the facility accessible only by boat for required rescue personnel and maintenance personnel to complete needed repairs. Following a flood, the access road can remain flooded for up to 5 days. Flooding events leave the electrical equipment in the pump station susceptible to damage and increase the risk of injury to emergency personnel accessing the pump station. The water intake structures have been repeatedly subjected to sedimentation buildup, resulting in a decrease in the total available raw water intake capacity. The proposed Project will relocate the existing pump station and access road to a location not susceptible to flooding during 100-year flood events. It will also alleviate sedimentation buildup within the water intake structures, increasing stability of the raw water intake capacity.

The City, through implementation of this project, will improve potable water supply resiliency during and after hurricanes, floods, and other extreme weather events which have increased in frequency and intensity as a result of climate change. A more reliable potable water service is needed to ensure the safety and wellness of residents and continued operation of community service and public safety providers, including hospitals, housing services, and local utilities.

Thunderstorms and hurricanes are common natural disasters in Salisbury, North Carolina that can cause flooding along the Yadkin River. These flooding events can have a significant impact on Salisbury and Rowan County. Flooding can cause damage to infrastructure such as roads, bridges, and buildings. Hurricanes and/or significant rain events in the upper part of the Yadkin River Basin can cause severe flooding events near the Yadkin River downstream. Storm surges cause extensive flooding in low-lying areas. Floodwater can contaminate water supplies and cause significant damage to infrastructure.

The City, through its wholly owned and operated water and wastewater utility, Salisbury-Rowan Utilities (SRU), provides drinking water supply and wastewater services to more than 53,000 residential and business customers to the region to protect the local environment, promote public health, and improve the quality of life. The existing 1917 and 1969 raw water intake structures and pump station are located on Hannah Ferry Road at the confluence of the Yadkin River and South Yadkin River and have provided a drinking water supply to many Rowan County communities for over a century. In recent years, Rowan County has experienced an increase in flooding events from heavy rainfall and tropical storms and hurricanes that have caused river and creek banks to overflow. In September 2018, Hurricane Florence brought heavy rainfall to the region, causing near-record levels of flooding to the Yadkin River. The existing access road was flooded for a total of 66 days during 2018 to 2020, and water entered the pump station most recently in November 2020. In 2020, the pump station was shut down twice because of flood events, after the February 6 flood event for 4 days and November 13, 2020, for 4 days. Because of the High Rock Lake dam's construction downstream, the raw water intake structure has also experienced an increase in frequency and magnitude of flood events and sedimentation. The impacts of flooding to the area have created unreliability in the operations of the intake structures and raw water pump station. The City proposes to construct a new combined intake structure and raw water pump station in and near the Yadkin River with a new access road, access bridge, and water pipeline to provide a more reliable drinking water supply for multiple municipalities.

The proposed project area includes undisturbed and secondary growth forested habitat, is adjacent to a Duke Energy electric utility right-of-way, is partially along Deals Creek, and is within and over the Yadkin River. The property would be used for a construction access road off Hannah Ferry Road, which connects to Old Mocksville Road, a major road that runs east-west between the cities of Salisbury and Mocksville and is a major commercial thoroughfare. The figure below shows the project location and proposed activities.

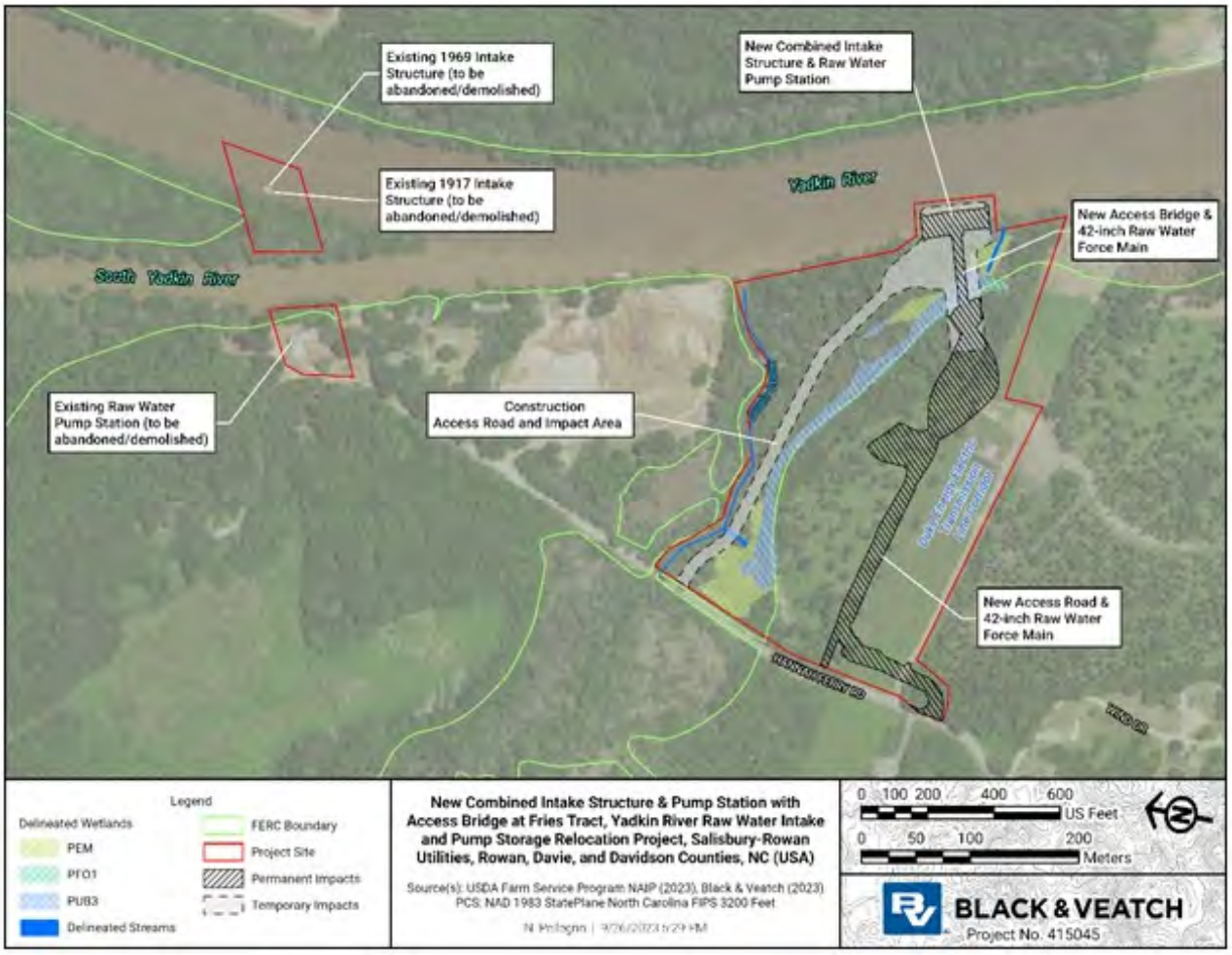


Figure 1-1 Project Location Map

1.2 Land Parcels Involved in the Project

For the construction of the project and associated facilities, the City is acquiring property along Hannah Ferry Road and the Yadkin River. The property acquisition process is ongoing; however, the design has been completed and the project is being submitted for permit review and approval. The purpose of this document is to explain the current property ownership, the proposed property boundaries, what is shown on the drawings, and why a portion of the state-owned land is needed for the project. No work will be completed on any of the properties until the property acquisition process is complete.

The project is proposed to be constructed on three parcels as shown in Table 1-1. The City is in the process of procuring a portion of each of these properties.

The current parcels on which the Yadkin River Raw Water Supply Facilities Project (YRRWSF) will be built are listed below:

1. Tax Parcel 308 176
2. Tax Parcel 308 201
3. Tax Parcel 300 049

The following table displays the current ownership and acreage of each listed parcel.

Table 1-1 Current Property/Parcel Ownership

Tax Parcel:	Ownership	Deed Book	DB Page	Acreage
308 176	Terry G. Fries & Sheila C. Fries	698	768	106.5
308 201	State of North Carolina (NCWRC)	1334	822	15.201
300 049	Cube Yadkin Generation LLC	1284	347 (Tract 31)	122.7

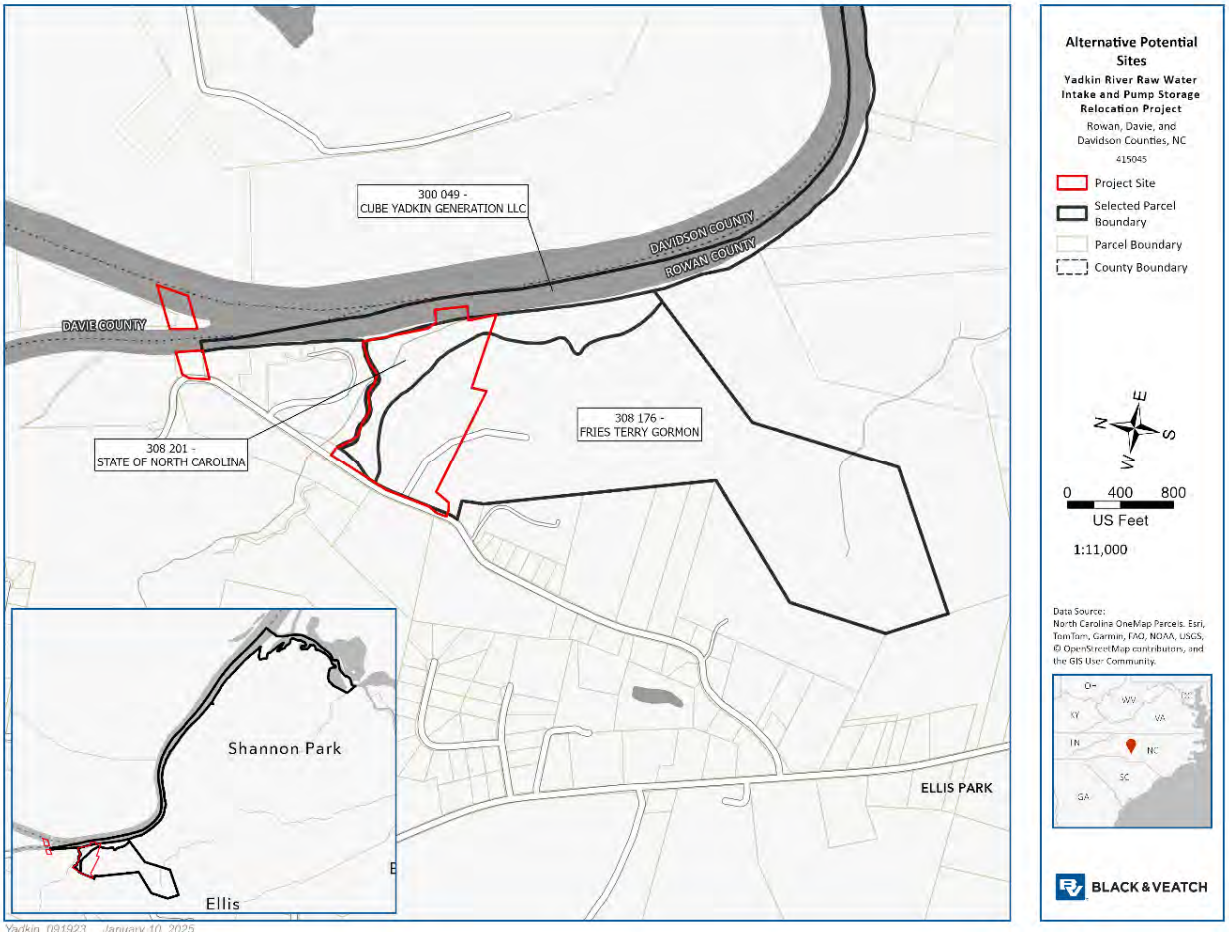


Figure 1-2 Parcels Included in the Project

The state-owned parcel owner information/contact is as follows. The land is owned by the NCWRC, but is represented for purposes of conservation agreement status by the NCLWF:

Justin E. Mercer
Stewardship Program Manager
North Carolina Land and Water Fund
Division of Land and Water Stewardship
NC Dept. of Natural and Cultural Resources
Office/Fax: 919-707-9381
Mobile: 919-208-9955
justin.mercer@dncr.nc.gov

Ben Solomon
Assistant Chief and Land Acquisition Manager
Land and Water Access
North Carolina Wildlife Resources Commission
Mailing Address: 1720 Mail Service Center
Raleigh, North Carolina 27699-1700
Office: 919-707-0053
Mobile: 919-417-2328
ben.solomon@ncwildlife.org

The City is currently in the process of securing the property from the three listed property owners above. The existing deed for the state-owned parcel is included as Appendix A to this Conservation Agreement Amendment Request.

The future planned new plats for the properties being procured are shown below.

Table 1-2 Planned Property/Parcel Divisions

Acquired Property Details		
Belongs to Tax Parcel:	**Ownership**	**New Acreage**
308 176	City of Salisbury	12.836
308 201		10.030
300 049		0.985

Drawings showing the site plan before and after grading and the activities planned on the state-owned parcel are included in Appendix B.

2.0 Project Alternatives Considered

The Environmental Assessment (EA) conducted to allow release of FEMA funding and to assess the potential environmental impacts of this project evaluated the potential environmental impacts of the proposed project and reasonable alternatives. Reasonable alternatives are those that meet the purpose and need for the project, are technically and economically feasible, and meet reasonable screening criteria (e.g., requirements or constraints associated with operational, technical, environmental, budgetary, and time factors). Alternatives determined not reasonable were eliminated from the detailed analysis in the EA.

Alternatives considered, as noted in the EA, are included below to show that the selected project and location was selected to minimize adverse environmental impacts.

2.1 Proposed Action

The Proposed Action is to construct a new combined intake structure and raw water pump station in and near the Yadkin River with a new access road, access bridge, and raw water pipeline to supply clean drinking water for multiple municipalities in Rowan County, including the City of Salisbury, and in unincorporated areas of Rowan County. The existing water intake structures may be either demolished or abandoned in place (likely abandoned in place, but no decision has been made at this time).

The proposed location is close to the existing intake and raw water reservoirs and can reuse the existing raw water force main, while other locations considered would require a new force main and additional pumping to the reservoirs. The current intake is upstream of High Rock Lake headwaters and would avoid the need for stream reclassification through the potentially lengthy NC Department of Environmental Quality (NCDEQ) permitting process; however, the ground elevation there is low, and the current pump station floods after storms. The proposed location is at a higher elevation that will avoid flooding and access concerns during flood events, but will require a stream reclassification process to recategorize the intake location as a river rather than a lake/part of the Yadkin Hydroelectric Project (request is pending approval by the NCDEQ). The design (90 percent design) for this proposed new intake and pump house location is the basis for the Proposed Action.

2.1.1 New Structures

With the abandonment of the existing water intakes and raw water pump station, the City proposes to construct two structures. A new combined intake structure and raw water pump station within the Yadkin River would withdraw river water via intake screens at a velocity of 0.5 foot per second and pump through a new water main pipeline to the existing pipeline. Gabion baskets and gabion cutoff walls would be installed on each side of the new combined intake structure and raw water pump station and would extend approximately 80 feet north and south of the pump station along the riverbank. A gabion is a type of wired basket filled with various rocks or soil that helps prevent erosion, retain a slope, or provide a landscape element. They are commonly used in streambanks and areas with steep slopes and would provide bank stabilization at the combined intake structure and raw water pump station location as well as a substrate for future vegetation growth that would further enhance the bank in that area. The City/SRU has obtained an activity permit for shoreline stabilization from Cube Yadkin and a shoreline stabilization permit from NCDEQ for the installation of the gabion baskets since the riverbank in the project area is within the High Rock Lake FERC project boundary.

A disturbed area extending approximately 100 feet around the proposed structure and to both sides of the proposed access bridge is expected to be needed to allow safe construction. An approximately 137,214 square foot area is the expected limit of disturbance. The foundation system will be designed to

support the structure based on existing subsurface conditions. The foundation system is slab on grade with rock anchors. The other structures proposed for new construction are the electrical supply facilities, including the Switchgear Building for electrical equipment, standby generator, and utility transformer. Approximately 2,500 square feet is the expected limit of disturbance for this structure, and the depth of disturbance is approximately 3 feet.

Site preparation work will include clearing and grubbing of the areas for constructing the two new structures, the access bridge, the access road, and the raw water main. The approximate area of tree removal required for the entire construction footprint (temporary and permanent) is 137,214 square feet. The tree species to be removed in the project area are described in the Vegetation section below.

2.1.2 Intake Structure and Pump Station Alternative Locations Considered

Other parcels preliminarily considered for the intake and pump station site are located along the Yadkin and South Yadkin Rivers, upstream of the current intake. Proximity to the river and land topography were the main characteristics reviewed to determine potential alternatives for the project location. These options would involve substantially higher costs than the Proposed Action site, largely because the water intake would be much more distant from the raw water reservoirs, and include new pipeline crossings of the Yadkin and South Yadkin Rivers. Locations on the east side of the Yadkin River would also involve a much longer commute to access the site because of the locations of available bridges across the river from Salisbury; this would cause delays in response time for any issues needing staff attention that may occur at the facility. The preferred site was chosen to ensure 24-hour, year-round access to the new facility during storm events.

Generally, the Davidson County (east) side of the Yadkin River is at a higher elevation than the Rowan County (west) and Davie County (north between the Yadkin and South Yadkin Rivers) sides. Several parcels that appeared suitable were further evaluated, with potential options in all three counties. It was assumed because of the topographic features and other location advantages that Rowan County would be the most favorable location for a new intake and pump station. All parcels considered are located upstream of the existing intake; basic information about these parcels is provided below in Table 2-1, and the locations are shown in Figure 2-1.

Table 2-1 Alternative Site Locations Considered

Alternative	Address/Location	Acreage	Elevation
Rowan County, South Yadkin, Option 1	Parcel Identification Number (PIN) 5763-03-43-3220 Address: 0 High Meadow Dr (4,400 feet upstream of RWPS)	11.08	676 to 730
Rowan County, South Yadkin, Option 2	PIN 5763-03-34-5583 Address: 0 High Meadow Dr (4,400 feet upstream of RWPS)	40.2	676 to 730
Rowan County, South Yadkin, Option 3	PIN 5763-01-18-3250 Address: 0 Old Mocksville Rd (2 miles upstream of RWPS)	306.2	628 to 730
Davie County, Yadkin River, Option 1/2	PINs 5763548716 and 5763775208 Address: Point Rd (3,000 feet to 2 miles upstream of RWPS)	388.6 357.9	628 to 670 630 to 740

Davie County, Yadkin River, Option 3	PIN 5763595798 Address: Point Rd (2.75 miles upstream of RWPS)	165.9	630 to 740
Davidson County, Yadkin River, Option 1	PIN 5763-04-91-7009 Address: Hannah Ferry Rd, Lexington, NC (0 to 1 mile upstream of RWPS)	440	630 to 740
Davidson County, Yadkin River, Option 2	PIN 5773-01-09-6056 Address: 916 Old Pasture Rd, Linwood, NC (1.75 miles upstream of RWPS)	52.4	630 to 740

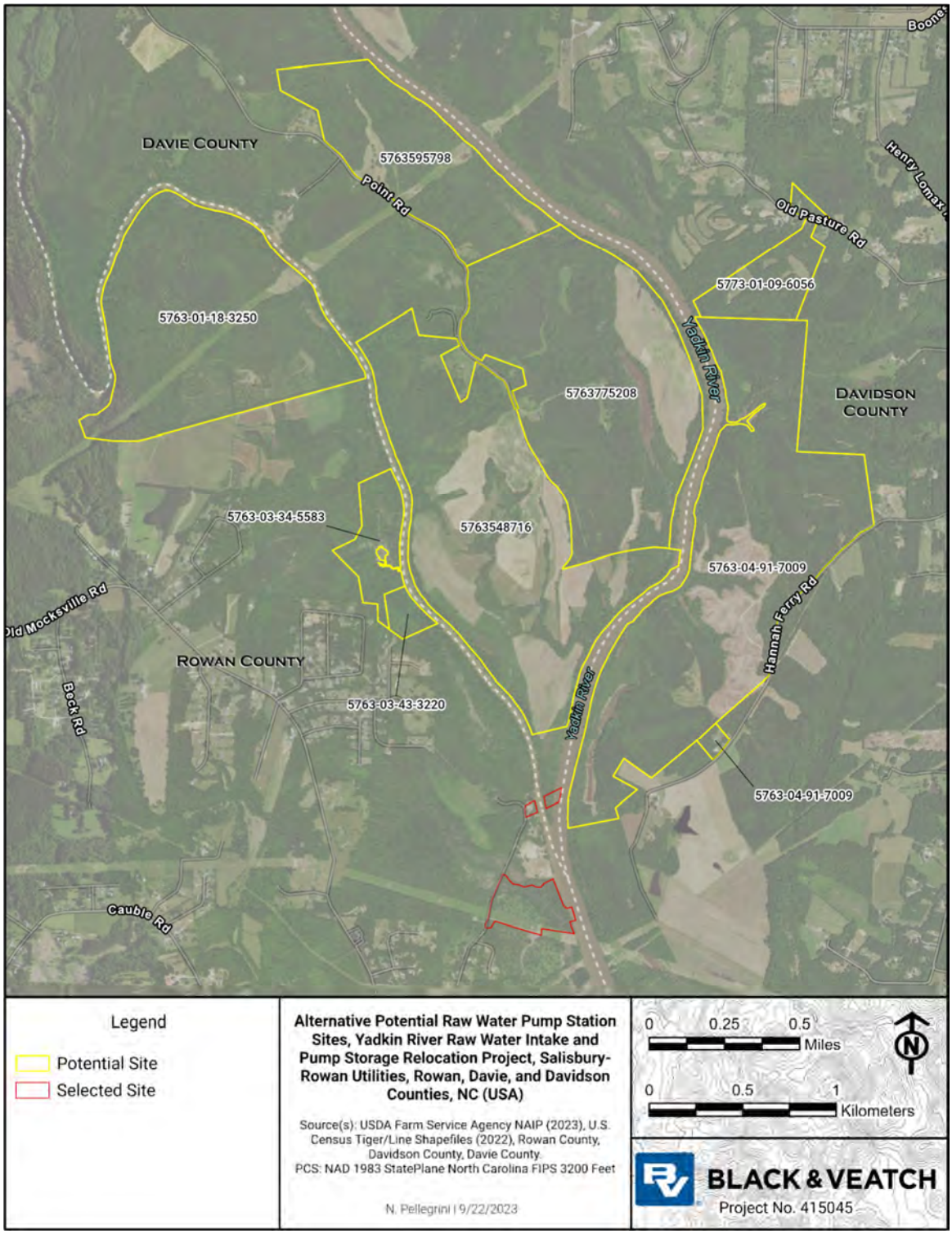


Figure 2-1 Alternative Project Sites Considered

2.1.3 Permanent Access Road (Preferred and Alternate Route)

A permanent access road will be constructed for vehicle and personnel traffic, and emergency personnel (if needed) during the day-to-day operations when the facility is fully built and operational. Additionally, this alignment will be used for the raw water transmission main and other utilities required for operation of the facilities. The preferred path is the more direct cost-effective route, which will follow the north edge of the existing Duke Energy electric transmission line right-of-way until the point where the access road would turn and intersect with a proposed access bridge that will connect to the proposed new combined intake structure and raw water pump station. The road will be approximately 1,400 linear feet, 24 feet wide with 4-foot shoulders on each side. The access bridge will require piers to extend down to the ground; however, disturbances will be needed to operate a crane to construct the bridge. The access bridge will cross the state-owned property to the combined intake and pump station positioned on both the state-owned property and the Cube Yadkin Generation-owned property.

The alternative route considered for the access road was to stay within the existing grade, away from the Duke Energy right-of-way, and around the northern side of the hill. The road would have a flatter slope, but would likely result in more impacts to vegetation. The roadway and shoulder dimensions would likely remain the same as the preferred access road path; however, the length would increase. This alternative route has been dismissed from further consideration, and the Proposed Action will include the preferred route discussed above. This alignment would require the same impacts to the state-owned property as the Proposed Action.

The location and features of the Proposed Action, including the preferred route for the permanent access road, are shown on the drawings in Appendix B.

2.1.4 Construction Access Road

The proposed construction access road is the construction access path to be used by the construction contractor to construct the access bridge and combined intake and pump station facility. There is approximately 80 feet of elevation difference between the top of the access road and the grade elevation at the base of the combined intake and pump station which cannot be traversed by construction equipment. Therefore, an alternative construction access is required to complete the construction.

The figures below are visual simulations of the completed project based on the topography of the site. The significant difference in topography from the main access road higher elevation in comparison to the much more consistent elevation of the NCWRC parcel and the project riverfront construction area can be clearly seen.

The construction access road route proposed extends from Hannah Ferry Road north, slightly winding to avoid delineated wetlands and the bank of Deals Creek, through the state-owned forest conservation property, and extends to the location of the new combined intake structure and raw water pump station on the bank of the Yadkin River. The road would need to cross one drainageway that connects Deals Creek to the delineated wetland area to the east, located near Hannah Ferry Road. This crossing would likely be accomplished by installing a culvert that would allow the drainageway to continue to flow while the construction access road is in use. This construction access road route, for the duration that it is utilized and maintained, would be expected to impact approximately 2 acres of forest and minimal wetland and water areas along the majority of its length, including fragmentation of habitat for wildlife and forest-dwelling bird species. This construction access road route is also shown on the drawings in Appendix B.

Figure 2-2 Aerial View Showing Project Site Elevation Differences and Simulated Project Infrastructure

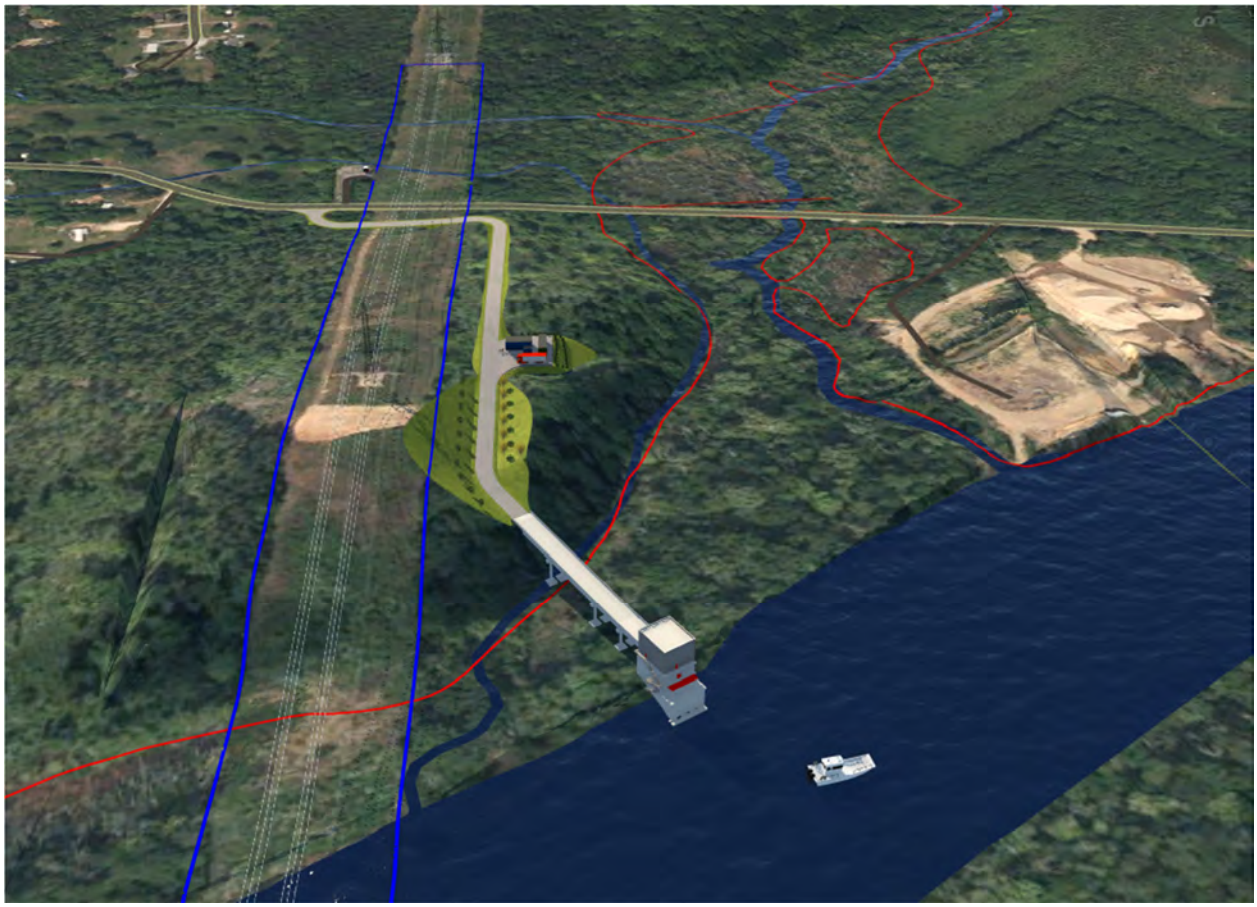


Figure 2-3 Aerial Perspective of Project Site Elevations and Simulated Project Infrastructure

2.1.5 Raw Water Transmission Main (Preferred Route and Alternate)

To convey the raw river water from the new combined intake structure and raw water pump station to the existing raw water main along Hannah Ferry Road, a new section of 42-inch diameter raw water transmission main line will need to be constructed. The portion of existing water transmission main from that connection to the existing raw water pump station and intake would remain in place. As with the access road, there are two potential routes proposed. The preferred raw water transmission main alternative is to follow the path of the preferred access road route going directly from the Hannah Ferry Road connection and making a turn toward the combined intake structure and raw water pump station within the Yadkin River. Because of shallow bedrock conditions in the area near the Yadkin River, the raw water line along this main alternative would be installed in an open cut trench excavated across the state-owned property and up the hill from the lower elevation near the Yadkin River to the point where it meets the bridge and main access road. Trenching for the line into the surface of the hill would require stabilization of the hillside after the installation of the raw water transmission main, which would be done using riprap, turf reinforcement matting, and vegetation along the alignment in this area. The new section of 42-inch raw water transmission main would be installed under the preferred access road for most of the road, within the roadway disturbances, in a trench with a maximum depth of 8 feet. The raw water main alignment deviates from the proposed access road as the road and water main approach Hannah Ferry Road to reduce additional piping and bends, whereas the road must stay above the 100-year flood elevation. In this area, the trench for installing the raw water main is expected to be 100 feet long, 12 feet wide at the surface, and a maximum of 8 feet deep. The other new raw water main route alternative is to follow the alternative access road going around the north side of the hill at a flatter slope and on existing elevations. An 8-foot-deep trench would be required with a width of approximately 12 feet if this alternative was chosen.

2.2 Alternatives Considered and Those Dismissed

Six potential action alternatives were considered. Alternative 3 and Alternative 4 were dismissed because they did not address ongoing intake sedimentation issues, in addition to other reasons described below, and Alternatives 5 and 6 were determined to be infeasible, leaving Alternative 1 (No Action) and Alternative 2 (Proposed Action) for further analysis and consideration. The dismissed alternatives, including some location options considered within the Alternative 2 site, are described in more detail below, but were not further analyzed.

2.2.1 Alternative 3 – Existing Pump Station Upgrade [DISMISSED]

Alternative 3 would involve upgrading the existing pump station to protect it from rising floodwaters entering the building and provide access to the pump station during flood conditions. The alternative is based on concepts developed by Kleinschmidt for Cube Yadkin Hydro. This alternative would involve raising the existing three pumps with 5-foot pump shaft extensions; replacing, raising, and relocating motor control centers into new electrical enclosure; and installation of a new mezzanine floor in the existing pump station to support raised pump equipment and provide access. It would require demolition of electrical equipment located on the operating level of the existing pump station and installation of a new electrical enclosure elevated above the flood level, along with a new half-mile long access bridge. This alternative was dismissed from further consideration because it would create maintenance of pump station operation challenges during construction, the solution creates other operational challenges with the pump station and does not address the ongoing existing intake sedimentation issues resulting from flood events, it would not comply with applicable codes, regulations, and standards, and it is not a cost-effective solution.

2.2.2 Alternative 4 – Relocation of Pump Station Only [DISMISSED]

Alternative 4 would continue the use of the existing intakes, but would relocate the pump station. This alternative would require the construction of a new pump station at higher ground, above the 100-year flood elevation, and construction of additional piping between the intakes and the new pump station location, and a new raw water force main from the new pump station to connect to the existing raw water main. This alternative was dismissed from further consideration because of the age of the existing intakes, the continued sediment buildup around the intakes, and constructability and cost considerations for the new pump station depth needed to use the existing intakes from a location at higher ground (deep tunneling excavation depth of approximately 40 feet).

2.2.3 Alternative 5: Alternative Water Source [DISMISSED]

An alternative water supply source was considered, but dismissed from further evaluation because it would require the same infrastructure construction work and likely greater new environmental impacts at a location farther from the City of Salisbury than those expected as a result of the Proposed Action. This alternative would not be cost efficient, would likely have more significant overall environmental impacts, would not offer any efficiencies to SRU compared to the Proposed Action (Alternative 2), and would likely require more operations and maintenance coordination and cost, and was therefore considered not feasible.

2.2.4 Alternative 6: Water Purchase [DISMISSED]

The purchase of water supply for SRU from a different utility was considered, but dismissed from further evaluation. There are no adjacent utilities or water providers that would have the capacity to meet the water demand or alternate water supply sources in close proximity to SRU's service area. The cost to SRU would likely be significantly higher to purchase a sufficient water supply to meet demand and transport it to its service area even if this alternative was viable. On an average day, almost 2 billion gallons of water flows past the Salisbury intakes; the Yadkin River is the second largest river basin in North Carolina. SRU

would then also be dependent on a third party for drinking water and would not be able to directly address any water supply issues that may occur. For these reasons, this alternative was considered not feasible.

2.2.5 Alternative 2 (Proposed Action) – Location Sub-Alternatives [DISMISSED]

For the proposed project (Alternative 2 - new combined intake structure and raw water pump station), several location alternatives have been evaluated and dismissed from further consideration using property and parcels in the same vicinity as the proposed project on the Yadkin River, but with elevations high enough to be above the flood levels. Evaluated sites included properties upstream and downstream of the proposed location along both the Yadkin River and South Yadkin River and on both sides of the rivers. The dismissed alternative locations' capital costs were higher than the chosen proposed actions. In addition, two alternative locations were evaluated within the proposed project site, as described below:

Relocate Raw Water Pump Station (RWPS) adjacent to existing transformer site. Relocate the pump station to higher ground on existing city property adjacent to the transformer site and use the existing intakes with a new suction pipe. The suction pipe and pump station would be deep and may require tunneling in lieu of open cut installation. After surveying, it was discovered that the transformer site is at a lower elevation than originally anticipated and would not meet the agreed-upon standard of being at least 2 feet above the base flood elevation.

Relocate RWPS to hill on Fries property with submerged intake. There is a hill south of the existing pump station on a tract owned by the Fries family. The hill has sufficient elevation to provide flood protection for the pump station. A new submerged intake similar to the 1969 intake would be built in-river. A new pipeline would carry water from the new submerged intake to the new pump station located on the hill, which would pump raw water to the existing force main along Hannah Ferry Road. This alternative location would have significant constructability concerns because of the very deep wet well needed in the pump station and the deep pipeline to the pump station, which would result in a high cost.

3.0 Net Positive Benefits on Conservation Values

It is assumed based on correspondence with the NCLWF that the NCWRC parcel was donated to the agency because of its forested wildlife habitat and location along Deals Creek and the Yadkin River that would allow the parcel to function as a water quality buffer area. The overall project being proposed has wider conservation benefits for the Yadkin and South Yadkin River watersheds. Information from the Federal Emergency Management Agency (FEMA) Environmental Assessment (EA) and other permit application documents written for the project is included below to summarize the project area existing conditions and expected impacts, mitigation measures, and overall net conservation benefits.

3.1 Existing Conditions and Expected Impacts for Conservation-Related Values and Resources

As part of the preparation of the EA for the project to receive FEMA funding, biological and other conservation-related resources on the project site were assessed. Note that the below information pertains to the entire project area; however, the impacts to the NCWRC parcel portion of the project are a smaller subset of this area and involve only the construction access road, the temporary construction area near the river, and the bridge footing areas on the north and east portions of the project site (refer to Figure 1-1).

3.1.1 Wildlife

Based on a search through the USFWS' Information for Planning and Consultation (IPaC) tool, no known federally protected terrestrial or aquatic species were known to occur within the project area. No known critical habitats, refuge lands, or fish hatcheries were discovered during the initial desktop review of the project area. The North Carolina Wildlife Resources Commission (NCWRC) state-listed resources identify the yellow lampmussel (*Lampsilis cariosa*) and Carolina creekshell (*Villosa vaughaniana*) as having a moderate probability of occurrence within Rowan County. The yellow lampmussel lives in Chowan, Roanoke, Neuse, Tar, Cape Fear, Lumber, and Yadkin-Pee Dee drainages. The Carolina creekshell lives in Cape Fear, Yadkin-Pee Dee, and Catawba drainages. According to a consultation letter from the North Carolina Wildlife Resources Commission (NCWRC) on April 12, 2023, there are no current records of state or federally listed species at the project site, indicating that the yellow lampmussel and Carolina creekshell are not known to occur within the project area. The site was visited on June 27 and 28 and August 22 and 23, 2023 by a Black & Veatch biologist and support staff to assess and document the conditions of the project area. The results and recommendations from the field survey are documented in Appendix C.

Additionally, the proposed project is not located within a Conservation Zone (area designated for sensitive resources) delineated in the Yadkin Hydroelectric Project Shoreline Management Plan (Federal Energy Regulatory Commission document administered by Cube Hydro).

3.1.2 Terrestrial Species

No known protected terrestrial species were identified as occurring within the project area during a desktop review of the IPaC tool or based on the NCWRC input. No terrestrial species were identified during field survey activities.

3.1.3 Aquatic Species

No known protected aquatic species were identified as occurring within the project area during a desktop review of the IPaC tool or based on the NCWRC input. Water-based aquatic surveys were not performed because this general area of the Yadkin River has been subject to past and ongoing disturbance from sand dredging, and agency consultations indicated that there were no species of concern known to occur in the project location.

3.1.4 Expected Project Impacts to Wildlife Species

Under the Proposed Action, the areas along the construction access road and the main permanent access road out to the combined intake structure and raw water pump station would include approximately 4 total acres of permanent impact to forest vegetation, fragmentation of habitat for wildlife and forest-dwelling bird species. Construction of roads, buildings, vehicle traffic, noise, emissions, and other activities that will be part of project construction and operation may temporarily adversely affect wildlife in this area, causing them to temporarily relocate to other areas with less disturbance until after construction is complete. The in-river work to install footings for the combined intake structure and raw water pump station and installation of the gabion baskets will cause limited sedimentation and disturbance in the immediate area of the Yadkin River; this may have a minimal impact on aquatic organisms using this area of the river. Based on the relatively small footprint of the construction compared to large areas of similar forested habitat in the area surrounding the project site, the impacts to wildlife are expected to be minor.

3.1.5 Vegetation

Executive Order 13112, Invasive Species, requires federal agencies, to the extent practicable, to prevent the introduction of invasive species and provide for their control and to minimize the economic, ecological, and human health impacts that invasive species cause. Invasive species prefer disturbed habitats and generally possess high dispersal abilities, enabling them to out-compete native species. The North Carolina Invasive Plant Council identifies invasive plants found in the ecosystems of North Carolina. Invasive species found within the area during the site visit include the Tree of Heaven (*Ailanthus altissima*). The Tree of Heaven occurs in the Appalachians and Piedmont region in disturbed areas, along roadsides, urban abandoned lands, and on limestone clifftops (Patterson, 1976). In North Carolina, it grows on logged sites near Oak Loblolly, which also occurs in the project area.

During a Phase I archaeological survey performed in June 2023 by ECA, vegetation conditions within the project area were documented. In the upland areas within the proposed pump station area, a clearcut area was observed with sporadic mature hardwoods left standing. Early successional growth of vegetation was noted, including tall grasses, briars, and immature saplings. Forest comprised largely of hardwoods with occasional pines was observed on the sloping areas and portions of the project area within the Yadkin River floodplain. In the Piedmont Uplands, red oak, white oak, mockernut hickory, dogwood, and sourwoods are all common.

Based on an informal consultation letter and information obtained from USFWS' IPaC system, it was determined that the threatened and endangered plant species Michaux's sumac (*Rhus michauxii*)and Schweinitz's sunflower (*Helianthus schweinitzii*) have the potential to occur within the project area. Existing conditions for Michaux's sumac and Schweinitz's sunflower are discussed in the Threatened and Endangered Species section below. During a desktop review of information available from the NCWRC, Georgia aster (*Symphyotrichum georgianum*) was found to have a high probability of occurrence within Rowan County. Georgia aster is a state-listed threatened species and occurs in open woods, roadsides,

and other ROWs. American blueheart (*Buchnera americana*), dwarf chinquapin oak (*Quercus prinoides*), Carolina birdfoot-trefoil (*Acmispon helleri*), piedmont quillwort (*Isoetes piedmontana*), and Small's portulaca (*Portulaca smallii*) were identified by the NCWRC as having a low to moderate probability of occurrence within Rowan County. The American blueheart is state-listed as endangered, while Carolina birdfoot-trefoil is state-listed as threatened.

Following this desktop review, the site was visited on June 27 and 28 and August 22 and 23, 2023 by a BV biologist and support staff to assess and document the conditions of the project area. During the site visit, it was determined that highly suitable habitat for Schweinitz's sunflower, Georgia aster, and Michaux's sumac exists within the project area, but none of these species were identified during survey activities. Mature forest stands within the study area provide habitat for the American blueheart and Carolina birdfoot-trefoil, but these species were not identified during survey activities. Rocky outcrops were observed on steep elevation grades that may suggest suitable habitat for dwarf chinquapin oak, but the species was not identified within survey areas. No suitable habitat was observed for piedmont quillwort or Small's portulaca. No tree species of concern were identified from the tree species survey completed within proposed disturbance corridors.

The results and recommendations from the field surveys are documented in Appendix C, including a list of tree species found in the areas of the site that would be impacted by construction.

3.1.6 Expected Project Impacts to Vegetation

Under the Proposed Action, site preparation work would include clearing and grubbing of the project footprint, which would require the removal of vegetation, largely trees. The approximate total area of tree removal required for the entire construction footprint (temporary and permanent) is 137,214 square feet (3.15 acres). This area includes permanent forest impacts of approximately 0.92 acre and temporary forest impacts of approximately 2.39 acres.

Impacts from the Proposed Action to Michaux's sumac and Schweinitz's sunflower are discussed in the Threatened and Endangered Species section below. No impacts to Georgia aster are anticipated. Under the Proposed Action, moderate impacts to vegetation and trees are anticipated, but no impacts to any species of concern are anticipated.

3.1.7 Threatened and Endangered Species

In accordance with Section 7 of the ESA, the project was evaluated for the potential occurrences and impacts to federally listed threatened and endangered species that may be present in the project area. According to the U.S. Fish and Wildlife Service (USFWS) consultation letter response received by FEMA on February 11, 2023, the project area provides suitable habitats for the federally listed endangered species Schweinitz's sunflower and Michaux's sumac. The project area also provides suitable habitats for the tricolored bat (*Perimyotis subflavus*), which is proposed for listing as an endangered species, and the monarch butterfly (*Danaus plexippus*) which is currently a candidate for federal listing (proposed threatened). There are no designated critical habitats in or near the proposed action areas, nor would any designated critical habitats be indirectly impacted by the work.

The tricolored bat is associated with forested landscapes, where they forage near trees (including forest perimeters) and along waterways and riparian areas (Fujita and Kunz 1984). In spring and summer in deciduous forest in western North Carolina, nonreproductive individuals selected mature stands or buffer

zones near perennial streams, and they tend to roost near openings (O'Keefe et al. 2009). The construction activities associated with the project area will involve clearing trees.

Michaux's sumac occurs in sandy or rocky open woods, sometimes in association with circumneutral soils (USFWS 1990). Many of the plant's occurrences are in areas that are artificially disturbed, such as highway and railroad right-of-way, pine plantations, edges of cultivated fields, and other cleared lands (USFWS 1898, Center for Plant Conservation 2002). The project area for the construction of the preferred access road and water main would occur along the northern edge of an electric transmission line right-of-way, and there is also a small area with open woods habitat that may allow enough sun through the canopy to support this species. Additionally, sandy, clay loam soils from igneous rock are identified in and around the electric transmission line right-of-way.

Schweinitz's sunflower can colonize through the dispersal of seeds that readily germinate without a dormant period. Presently, this species occurs in relatively open habitats such as roadsides, power line clearings, early successional fields, forest ecotone margins, or forest clearings. It thrives in full sun, but also grows in the light shade of open stands of oak-pine-hickory. The species is known from a variety of soil types, but is generally found growing on shallow, poor, clayey and/or rock soils, especially those derived from mafic rocks (USFWS 1994). The species also benefits from routine soil disturbance, most notably along roadsides which receive regular right-of-way maintenance (Smith 2008). The project areas will be near and within suitable soils and habitat for sunflower development and growth. Soils derived from granite are identified in and around the electric transmission line right-of-way.

Monarch butterflies require milkweed (*Asclepias* species) as caterpillars, but feed on nectar from a variety of flowers as adults. Monarchs roost in trees near water; primarily in maple trees and conifers in the northern U.S. and pecan and oak trees in the southern U.S. (Center for Biological Diversity, 2022). The project areas are likely to have suitable habitat with flowering plants along the electric transmission line right-of-way fringe and a waterbody.

During the BV site visit, it was determined that highly suitable habitat for Schweinitz's sunflower, Michaux's sumac, and monarch butterfly exists within the project area, but none of these species was identified during survey activities. Rocky outcrops were observed on steep elevation grades that may provide further habitat for tricolored bat, but this is considered less suitable habitat for tricolored bat, and this species was not identified during survey activities. Neither of the state-listed threatened and endangered species were identified during survey activities. The results and recommendations from the field survey are documented in Appendix C.

3.1.8 Expected Project Impacts to Threatened and Endangered Species

Under the Proposed Action, construction would impact forested areas with a temporary disturbance of about 2.39 acres and permanent disturbance of about 0.92 acre. Tricolored bats may be physically injured if struck by clearing and construction equipment (while roosting in trees) and disturbed by noise from mobilization of heavy equipment and construction personnel. Tree removal is expected to be avoided to the maximum extent practicable, and kept to the minimum area needed for construction of the project. If any roosts or species are observed onsite during construction, work will be stopped in the immediate area, and federal and/or state wildlife agencies will be contacted to advise about next steps.

Michaux's sumac and Schweinitz's sunflower may be damaged or killed if trampled by construction personnel and equipment during the land clearing for the access road and raw water main. There is a portion of the new access road that will cross over into the Duke electric transmission line right-of-way,

so the maintained vegetation in this area will also be impacted in a limited area. Much of the construction work will occur in forest habitat. These effects are expected to be insignificant because of the limited impacts occurring within the electric transmission line right-of-way and because protected plant species were not identified during biological surveys of the site area.

On January 12, 2023, FEMA initiated informal consultation with USFWS and received concurrence on February 17, 2023, with FEMA's determination that the proposed action may affect Schweinitz's sunflower and Michaux's sumac, but with the identified minimization measures to be followed for work within the project area, work is "not likely to adversely affect" these two species. On February 11, 2023, FEMA received an informal consultation letter from the USFWS identifying minimization measures to be followed for work within the project area to avoid any impacts to the identified threatened and endangered species. A “may affect, not likely to adversely affect” determination was made for Schweinitz’s sunflower and Michaux’s sumac. Until the tricolored bat becomes a federally listed species, an effects determination is not necessary. Upon the federal listing of tricolored bat, USFWS concurs with a “may affect, not likely to adversely affect” determination for this species with the implementation of the conservation measures listed in Section 6 under Project Conditions. Section 7 consultation is not required for candidate species such as the monarch butterfly; however, voluntary conservation measures were recommended. As a general avoidance measure, if possible according to the time of year the construction contractor is given notice to proceed, tree clearing activities will be conducted during winter months (November through March) to avoid the direct take of bat species and nesting bird species that may use habitats on the project site. Based on the analysis, consultation, and survey activities conducted, the Preferred Action would have an insignificant, minor impact on threatened and endangered species.

3.1.9 Migratory Birds

In compliance with the MBTA, searches were conducted using the IPaC database, which identifies birds of particular concern that may be present in the search area, including species listed under the USFWS Birds of Conservation Concern and species that require special attention in the project location.

The bald eagle (*Haliaeetus leucocephalus*) and its nests are typically found near large bodies of water, including lakes, rivers, and coastlines in mature trees close to open areas. According to a search through the IPaC database, the bald eagle is known to occur in the project area. In compliance with the Bald and Golden Eagle Protection Act, a site visit was conducted to identify species of particular interest that may be present or are present in the project area. Bald eagle nest surveys were conducted by survey personnel using binoculars to survey the study area and the 660-foot buffered area tree canopies. Less suitable, though not entirely dismissible, habitat for bald eagle is present within the project area, but the species was not identified during survey activities. Golden eagles are not generally known to occur in the project area.

The IPaC database identified seven species of concern with the potential to occur in the project area. These species are listed in the table below, along with their breeding season and the months with the highest probability of presence of the species.

Table 3-1 Migratory Birds Identified by IPaC Database

Common Name	Scientific Name	Breeding Season	Probability of Presence
Bald eagle	*Haliaeetus leucocephalus*	September 1 – July 31	February, May, December
Chimney swift	*Chaetura pelagica*	March 15 – August 25	April – June, September – October
Prairie warbler	*Dendroica discolor*	May 1 – July 31	June
Prothonotary warbler	*Protonotaria citrea*	April 1 – July 31	April – June
Red-headed woodpecker	*Melanerpes erythrocephalus*	May 10 – September 10	February, September
Rusty blackbird	*Euphagus carolinus*	Breeds elsewhere	January, March
Wood thrush	*Hylocichla mustelina*	May 10 – August 31	April - August

The other six migratory birds listed, other than the bald eagle, prefer to live in forest habitats and manmade yards. Aside from the rusty blackbird, breeding seasons within the project area range from as early as March to as late as September. During the site visit, BV personnel identified prothonotary warbler by song during survey activities. None of the other species was identified during survey activities.

3.1.10 Expected Project Impacts to Migratory Birds

Under the Proposed Action, construction of the project would require clearing of several acres of trees, shrubs, and other vegetation. Construction work at the project site may constitute a noise disturbance to any breeding populations of migratory birds. To avoid, minimize, and reduce impacts to migratory birds and their nests from both noise and vegetation removal activities, applicable nationwide conservation measures would be implemented, and contractors would be required to adhere to these measures to the extent practicable. If an incidental take were to occur, the nearest NCWRC law enforcement office would be contacted to assist in rectifying the take. In line with a general avoidance measure recommended by the USFWS for forested sites with potential for protected species use, SRU/the City will make a good faith effort to have the construction contractor perform tree clearing activities during winter months to avoid the direct take of most avian and bat species that may use project habitats; the ability to implement this impact avoidance/mitigation measure for the project will depend on the timeframe when the construction contractor is given notice to proceed. The conservation measures to be followed to the greatest practicable extent are listed in Appendix E in the NCWRC's consultation response (included in Appendix C).

Although significant impacts to bald eagles and their habitats are not anticipated because evidence of bald eagle presence was not observed during site field surveys, bald eagle nesting season is generally during the same time as tree clearing activities are recommended, which is in the wintertime, to avoid impacts to bats and birds in general. Bald eagles nest from approximately late December to early February. An eagle nest survey conducted in the project area before tree clearing begins would help minimize impacts to eagles that may build nests near the project construction area. The USFWS recommends keeping a buffer of 660 feet away from active eagle nests for any construction activities. No impacts to golden eagles are anticipated from the Proposed Action since they are not known to occur in the project area.

3.1.11 Water Resources

The project area is in the Yadkin-Pee Dee River Basin and Lower Yadkin Subbasin (HUC 03040103) and immediately downstream of the confluence of South Yadkin River and Yadkin River, near the northern extremity of High Rock Lake. Cube Yadkin Generation LLC owns and operates the Yadkin Hydroelectric Project (FERC Project No. 2197), of which High Rock Lake is the uppermost development. The dam and lake are primarily used by Cube Yadkin for hydropower generation; however, the lake is also used for public recreation.

The Yadkin River is not listed as a Traditionally Navigable Water (TNW) by the USACE Wilmington Regulatory District; however, the USACE confirmed that permit approval under Section 10 of the 1899 Rivers and Harbors Act will be required for the in-stream work to install the combined intake structure and raw water pump station. The Yadkin River ultimately discharges into the Pee Dee River, which is listed as a TNW beginning at Blewett Falls Dam near Rockingham, NC.

Another surface water in the project area is Deals Creek, which flows under Hannah Ferry Road and empties into the Yadkin River downstream of the existing raw water pump station and just north of the proposed water main pipeline and access road. South Yadkin River and Deals Creek are classified as Class C streams, which are defined by NCDEQ as fishable/swimmable waters. Yadkin River is classified as WS-V, which is defined as waters protected as water supplies that are generally upstream and draining to Class WS-IV waters. Class WS waters are also protected for Class C uses. The existing 1969 intake structure is in the Yadkin River Water Supply Watershed (WS-IV, Critical Area), whereas the proposed location for the new combined intake structure and raw water pump station is located outside of a NCDEQ-designated Water Supply Watershed.

The Rowan County Watershed Protection Ordinance became effective on January 1, 1994, and was amended on April 16, 1995, to include the boundaries of South Yadkin River. The County's ordinance established public water supply watershed protection regulations, as required by Ch. 143, Article 21 of the NC General Statutes. The Watershed Protection Ordinance defines the water supply "protected area" as the "area adjoining and upstream of the Critical Area of WS-IV watersheds". The boundaries of the "protected area" are defined as within 5 miles of and draining to the normal pool elevation of a reservoir or to the ridgeline of the watershed; or within 10 miles upstream and draining to the intake structure located directly in the river or to the ridgeline of the watershed.

On June 8, 2023, a request was submitted to the NC Division of Water Resources (DWR) for the reclassification of the water supply watersheds relevant for the proposed intake location. The request for reclassification of the water supply watersheds asks that the DWR establish the protected and critical areas for the relocated intake based on the intake being run-of-river. The reclassification request follows the current classification for the existing intake, which is defined based on a riverine system and updates

the Water Supply (WS) classification listed by the NCDEQ. The request process, which is outlined at 15A NCAC 2B .0100 and .0200, will require a review by the NC Environmental Management Commission (EMC) and includes public hearings for input from stakeholders. If accepted, final approval by the NC Rules Review Commission (RRC) will be required, and a rule will be drafted that will require state adoption. If adopted by the state, EPA will have final approval authority to allow the reclassification to become effective. This reclassification process is expected to be completed in Spring of 2025.

In May 2014, Black & Veatch performed water quality testing in response to NC Department of Environment and Natural Resources' (now called NCDEQ) request for monitoring as a condition for source water approval because the proposed new combined intake structure and raw water pump station is below the confluence of the Yadkin River (a WS-IV source) and South Yadkin River (a Class C source). Black & Veatch collected samples near the existing raw water intake and the proposed intake locations to determine whether addition of the South Yadkin River drainage area would materially impact the water quality at the new location and subsequently require process improvements at the SRU water treatment plant (Black & Veatch, 2014). Samples were collected near two proposed raw water intake locations, and one set was collected at the existing intake structure. Samples were tested for EPA-regulated Primary and Secondary Drinking Water contaminants and those contaminants regulated by NCDEQ for the WS water quality classification, including turbidity, metals, organics, and microorganisms. The testing results showed the following: variations in water quality between the existing and proposed intake locations are minimal; the two water supply sources appear to be similar in quality; and conventional treatment at the SRU water treatment plant will provide adequate treatment for raw water pumped from the proposed combined intake structure and raw water pump station location. These water quality testing results will be further evaluated as part of the reclassification request, as discussed above. The project is not expected to contaminate or otherwise adversely affect the public water system, water treatment facilities, or water distribution systems.

The project area is within a segment of the Yadkin River [12-(108.5)b1] listed as impaired on the 2022 North Carolina 303(d) List for exceeding criteria for turbidity (50 NTU) and in accordance with the polychlorinated biphenyl (PCB) Fish Tissue Advisory for fish consumption, issued by the NC Department of Health and Human Services (NCDEQ, 2022).

The project area is not located within a designated NC Riparian Buffer Area, as defined in the NC Riparian Buffer Protection Rules, which restrict land use and disturbance within the riparian buffer in designated river basins and watersheds.

Although located inside the boundaries of High Rock Lake, it is understood that the existing raw water intakes and pump station are influenced by High Rock Lake water levels and are subject to flooding from the Yadkin River. Additionally, SRU has experienced issues with sedimentation at the 1969 intake structure, resulting in a decrease to the total available raw water intake capacity. During the FERC relicensing process for the Yadkin Hydroelectric Project, FERC staff recommended environmental measures be undertaken to address the sedimentation and flood-related issues at Salisbury's raw water facilities. These measures included the following:

Develop a sedimentation and flood protection plan that includes (a) specific measures to ensure dredging of sufficient volume and frequency such that the city of Salisbury's water intake remains clear of sediments, (b) physical modifications to the facilities such as a protective dike for the pump station, improved access to the pump station with the road consistent with the city of Salisbury's design or other feasible options for achieving a mutually agreeable and cost effective resolution to flood protection (e.g.,

relocating the pump station or providing an alternative emergency water supply), (c) planning level capital and operation and maintenance cost estimates for all alternatives, and (d) a recommendation as to which alternative to implement.

3.1.12 Expected Project Impacts to Water Resources

The potential for the project to adversely affect surface water quality will be highest during construction of the new combined intake and raw water pump station structure within the Yadkin River. To mitigate impacts of erosion and sedimentation from in-stream and riverbank disturbance, as well as on the steep slope terrain along the new access road and raw water main, an Erosion and Sedimentation Control Plan will be prepared during detailed project design and submitted to NCDEQ for review and approval prior to commencement of construction activities. The project will abide by best management practices for construction (BMPs).

Additionally, SRU/City of Salisbury will be required to obtain or complete the list of permits and regulatory approvals for the project prior to the start of construction activities that may directly or indirectly impact the quality of waters of the state.

Mitigation measures to protect Yadkin River water quality and aquatic species will also be implemented as part of project operations. The intake structure will be designed to withdraw river water via intake screens at a velocity of 0.5 foot per second (ft/s) and pump through a new water main pipeline. This design velocity meets 15A NCAC 18C .0602(a) requirements designed to minimize impact to aquatic life and minimize the entrance of sand, silt, fish, and debris. This maximum entrance velocity of 0.5 ft/s will only occur during drought conditions when the water levels are at their minimum. During normal operations, water levels will be significantly higher than drought conditions, and the entrance velocity will be significantly less than 0.5 ft/s.

Additionally, the intake screens will be oriented perpendicular to the flow of the river so that any aquatic species coming down the river will flow past the screens rather than directly into them. The proposed screens are vertical bar racks with a mechanical rake to clean the screens. The new intake is also designed and configured to mitigate sedimentation issues, including a flushing system.

From the Mitigation Assessment Report (Black & Veatch, 2011), NCDEQ (formerly NCDENR) reported that it would require water quality monitoring as a condition for source water approval because the proposed relocated intake structure and raw water pump station is below the confluence of the Yadkin River (a WS-IV source) and South Yadkin River (a Class C source). This monitoring was completed in May 2014, and the study results showed the following: variations in water quality between the existing and proposed intake locations are minimal; the two water supply sources appear to be similar in quality; and conventional treatment at the SRU water treatment plant will provide adequate treatment for raw water pumped from the proposed combined intake structure and raw water pump station location. The project is not expected to contaminate or otherwise adversely affect the public water system, water treatment facilities, or water distribution systems.

Although the pump station will be an unmanned facility, the project will require a nearby septic field to accommodate occasional use by personnel during maintenance activities. The septic tank will be located near the Switchgear Building.

Under the Proposed Action, construction activities within and immediately adjacent to the Yadkin River will be required to install the relocated combined intake structure and raw water pump station, raw water

pipeline, and access bridge. Impacts to WOTUS will include installation of and temporary dewatering within a cofferdam, permanent fill for the footings of the combined intake structure and raw water pump station, gabion baskets along the riverbank on either side of the pump station, bridge footings near the riverbank and associated wetland area, and riprap along the riverbank near the access bridge and raw water force main.

A disturbed area, extending approximately 100 feet on each side of the proposed combined intake structure and raw water pump station and along the bridge corridor to the point where it intersects the hill, is expected to support safe construction; approximately 137,214 square feet is the expected limit of disturbance. The Switchgear Building will be built farther inland from the river, and about 2,500 square feet of land disturbance is expected.

The Proposed Action may result in minor, short-term adverse effects to water quality during project construction; however, erosion and sedimentation control BMPs will be installed, monitored, and maintained throughout construction to limit any detrimental effects to water quality and in accordance with the NCDEQ-approved Erosion and Sedimentation Control Plan and NPDES General Permit NCG01.

The Proposed Action would install an intake structure comprised of three constant speed pumps with an installed pumping capacity of 54 million gallons per day (mgd) and a firm capacity of 36 mgd (18 mgd per pump) to match the existing pump station capacity. SRU typically operates the existing pump station 12 to 16 hours a day during off-peak hours for electricity to fill the raw water reservoirs. The Salisbury WTP has a permitted capacity of 24 mgd, which can be met with firm pumping capacity and off-peak pumping. The proposed withdrawal rates at the new intake structure would match current operational conditions at the existing intake structure. There would be no change in the withdrawal rate from Yadkin River and no change to Yadkin River water use or the underlying aquifer; no effect on groundwater is anticipated. The only proposed change in water withdrawal is the downstream location of the proposed intake structure.

The project is not expected to contaminate or otherwise adversely affect the public water system, water treatment facilities, or water distribution systems. Additionally, no adverse long-term water quality impacts to Yadkin River are expected because of the Proposed Action. The Proposed Action may result in minor, short-term adverse effects to water quality during the construction phase; however, BMPs would be implemented, as described above, to minimize water quality effects.

3.1.13 Floodplains

According to the FEMA Flood Insurance Rate Map of the project area (Panel 5762, Map Number 3710576200L, dated June 16, 2009), the 100-year flood elevation in the area of the existing pump station is 647 NAVD 88, and the normal water surface elevation is 623.2± NAVD 88. The operating floor slab of the existing pump station is at elevation 642.4±, and the existing grade surrounding the pump station is at approximate elevation 630±. The existing pump station is not protected to the design flood elevation and is incapacitated in the event of a design flood event. In addition to shutting down the pump station, flood waters have inundated the existing access road, making the pump station accessible only by boat and using rescue personnel.

3.1.14 Expected Project Impacts to Floodplains

The proposed combined intake structure and raw water pump station in the Yadkin River and portions of the access bridge and raw water pipeline are located within the Non-Encroachment Area, akin to the Floodway. As depicted on the FEMA Flood Insurance Rate Map (Panel 5762), this activity is located

between cross-sections 5202 (base flood elevation [BFE] 647.4 feet) and 5220 (BFE 648.0 feet) with non-encroachment (floodway) widths of 491 feet and 619 feet, respectively.

Project construction within the Special Flood Hazard Area (SFHA) would require that a Floodplain Development Permit be issued by Rowan County in accordance with its Flood Damage Prevention Ordinance. Development activities within the SFHA and outside the Non-Encroachment Area are allowed, but would require profiles or elevations of the area impacted and a certification from a Professional Engineer that post-construction terrain will match pre-construction terrain, and construction areas are compacted and stabilized to prevent erosive conditions.

Additionally, work within the Floodway or Non-Encroachment Area of the Yadkin River requires a hydraulic analysis to determine the effects on flood levels from the proposed development. Black & Veatch completed hydraulic modeling (1D and 2D HEC-RAS models) to estimate the likely water surface elevations at the proposed combined intake structure and raw water pump station location under a variety of flow conditions (Black & Veatch, 2023a). The model was built on a previous HEC-RAS model of the Yadkin River available from FEMA. Additional flood return intervals were added to the steady flow profiles, with additional detail from a bathymetry field survey included in the geometry. The bathymetry survey was conducted in July 2023, approximately 1,000 feet upstream and downstream of the proposed intake location. The model extended approximately 10 miles upstream of the confluence with Deals Creek, and the downstream limits included the High Rock Dam.

The existing SRU intake structures are located approximately 2,000 feet upstream of the proposed intake, where the FEMA 100-year flood elevation is, as agreed upon by Cube Yadkin and FERC, 647.9 feet (NAVD 88, EL 648.7 NGVD 29). The 100-year FEMA floodplain elevation at the proposed intake location is approximately 647.4 feet, according to FEMA's 2018 Flood Insurance Study and recently updated FEMA mapping. The results of Black & Veatch's HEC-RAS model are similar to the agreed-upon flood elevation and the FEMA floodplain elevation (less than 1 foot of difference) and show the 100-year flood elevation at the proposed intake location to be 646.7 feet (Black & Veatch, 2023a). The highest of the three elevations will be used in design to provide a conservative estimate of the 100-year flood elevation.

Black & Veatch's HEC-RAS model determined that the project would increase flood levels during the base flood discharge; the difference in water surface elevation between proposed and existing conditions is +0.17 foot (Black & Veatch, 2023a). As a result of the increased flood level and in accordance with 44 CFR 60.3(d)(3), the project is required to submit a CLOMR request to Rowan County, which must be subsequently approved by NC Emergency Management, and FEMA.

Under the Proposed Action, construction activities to establish the combined intake structure and raw water pump station and portions of the access bridge and raw water force main would temporarily occur within the floodplain. Temporary use cofferdams and heavy equipment would cause negligible, direct impacts to floodplain values. Once construction is complete, the combined intake structure and pump station pilings and screens, including riprap armoring, would permanently occupy the floodplain. Other new infrastructure within the floodplain would include a 42-inch ductile iron force main that would be installed from the intake structure to convey pumped raw water to the existing 42-inch main.

The operating floor slab of the proposed pump station would be constructed at elevation 664.50 feet MSL NGVD 88 to provide reliable protection from flooding. The total depth from operating floor slab to top of base slab would be approximately 58 feet. The concrete access bridge would also be constructed to the adjacent land surface between elevation 676.00 feet MSL NGVD 88 at the bridge abutment and

connection to the access road and 664.50 feet MSL NGVD 88 at the combined intake structure and raw water pump station to provide reliable access and improved operation and maintenance during flood events. The new partial gravel entrance and paved access drive from Hannah Ferry Road to the access bridge would require backfill near Hannah Ferry Road to maintain the access drive above the design flood elevation. To limit floodplain impacts during project construction, any excess fill would be staged outside SFHAs.

The Proposed Action would have a negligible impact to the floodplain values of the Yadkin River and surrounding properties. Hydraulic modeling indicates that the new combined intake structure and raw water pump station and access bridge would result in approximately 0.17 foot of rise in the BFE. SRU would coordinate with the Rowan County Floodplain Administrator to prepare the CLOMR and obtain a Floodplain Development Permit from Rowan County prior to construction.

The 8-step decision-making process was applied to the Proposed Action by FEMA and is being completed in accordance with 44 CFR Part 9.

3.1.15 Wetlands

The project area was reviewed for the presence of National Wetlands Inventory (NWI) features, a dataset produced by the U.S. Fish and Wildlife Service (USFWS), which was completed via synthesis of remote sensing data (NWI mapping is not field-verified). NWI features follow a classification system referenced in the Classification of Wetlands and Deepwater Habitats of the United States (Cowardin et al., 1979).

NWI data (USFWS, 1983) was reviewed online via the USFWS Wetlands Mapper. The data shows one large freshwater palustrine forested wetland (PFO1Ah) within the project area, along Deals Creek and near the proposed access bridge and raw water force main. The project area also includes perennial (R5UBH) and intermittent (R4SBC) riverine segments that transect the area west to southeast. The presence and extent of these NWI features were field verified as part of the onsite wetland delineation survey conducted by Black & Veatch and described below.

Review of the NC Wetlands online database, managed by the NC Division of Water Resources, found no NC Public Wetland Sites in the project area. Additionally, the project area is not located in a coastal region under the authority of the NCDEQ's Division of Coastal Management; therefore, regulatory compliance associated with effects to wetlands and surface waters is limited to those classified as WOTUS under the authority of USACE.

Black & Veatch completed an onsite WOTUS delineation survey on June 27 and 28 and August 22 and 23, 2023, as presented in Surface Waters Delineation Listed Species Habitat, and Tree Survey Report (2023b). The field survey and data synthesis were completed in accordance with the following regulatory guidance:

- Corps of Engineers Wetlands Delineation Manual (Environmental Laboratory, 1987)
- Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Eastern Mountains and Piedmont Region (Version 2.0) (USACE, 2012)
- Regulatory Guidance Letter No. 05-05: Ordinary High Water Mark Identification (USACE, 2005).

One wetland complex was delineated in the survey area, which generally extended northwest to southeast from Hannah Ferry Road to the Yadkin River shoreline. The wetland complex had predominantly palustrine unconsolidated bottom (PUB) features (1.35 acres) with three palustrine emergent (PEM)

areas (0.96 acre) located on the west and east ends and one small PFO feature (0.06 acre) at the eastern end. The connected wetland totaled 2.37 acres and was separated from the Yadkin River by a natural berm (upland area). Streams delineated within the survey area included Deals Creek (1,033 linear feet), located along the northern boundary of the survey area, and a short stream segment (143 linear feet) that drained the wetland complex to Yadkin River. Additionally, water backflows into the delineated wetlands through the stream during high water events. A third stream (90 feet) is described as an erosional feature that conveys overflow from Deals Creek into the delineated wetland complex during high water events. Unlike the other two delineated streams, Black & Veatch classified this erosional feature as potentially non-jurisdictional under the current WOTUS definition.

3.1.16 Expected Project Impacts to Wetlands

All surface waters and wetlands delineated onsite are interpreted as WOTUS under CWA Section 404, except for a 90-foot-long stream, which is described as an erosional feature that conveys overflow from Deals Creek to the wetland complex.

Under the Proposed Action, project construction activities within and over WOTUS would be required to install the combined intake structure and raw water pump station and portions of the new raw water supply force main line and access bridge, including temporary impacts associated with the cofferdam and dewatering. Permanent impacts within the Yadkin River would include piling for the combined intake structure and raw water pump station, gabion basket installation extending approximately 80 feet outward on each side of the combined intake structure and raw water pump station, and riprap armoring on the riverbank.

Construction of the new access bridge and raw water force main would require temporary and permanent impacts to the north end of the delineated wetland complex. Although construction of the construction access road would impact 0.010 acre of the delineated erosional feature, it is not expected to be jurisdictional under the current WOTUS definition. Temporary and permanent impacts to WOTUS are detailed further in the table below, including the extent of impacts within the FERC boundary for High Rock Lake.

Table 3-2 WOTUS Impacts Associated with the Project

Project Element	Feature Type	Temporary Impact to WOTUS (acres)	Permanent Impact to WOTUS (acres)	Temporary WOTUS Impacts within FERC Boundary (acres)	Permanent WOTUS Impacts within FERC Boundary (acres)
Bridge footing and raw water supply force main line	PUB wetland	0.195	0.056	0.171	0.049
Bridge footing and raw water supply force main line	PEM wetland	0.034	0	0.034	0
Bridge footing and raw water supply force main line	PFO wetland	0.002	0	0.00004	0
Combined intake structure and raw water pump station	Yadkin River	0.296	0.205	0.296	0.205

The Proposed Action minimizes impacts to WOTUS to the extent practicable, and impacts would be minor. There is no practicable alternative to completely avoid adverse effects to WOTUS and still meet the project need. Because impacts to WOTUS would be limited to less than 0.5 acre, the project should qualify for coverage under a Nationwide Permit (NWP) in accordance with Sections 10 and 404 of the CWA. NWP 58 (Utility Line Activities for Water and Other Substances), which authorizes the construction of water intake structures and pipelines for the transportation of water, including associated access roads. NWP coverage requires submittal of a pre-construction notification to the USACE and adherence to NWP 58 conditions and any additional conditions issued by USACE specifically for the project.

On April 10, 2008, the EPA and USACE published the Final Rule on Compensatory Mitigation for the Losses of Aquatic Resources (33 CFR 325 and 332 and 40 CFR 230). These rules were designed to improve the effectiveness of compensatory mitigation to replace the loss of aquatic resource area and functions, expand public participation in decision-making, and increase the efficiency and predictability of the mitigation project review process. In accordance with NWP 58, compensatory mitigation for unavoidable impacts to WOTUS because of the Proposed Action would be required at a minimum one-for-one ratio for wetland losses that exceed 0.10 acre and require pre-construction notification, unless the District engineer determines that either some other form of mitigation would be more environmentally

appropriate or the adverse environmental effects of the Proposed Action are no more than minimal and provides an activity-specific waiver of this requirement. Compensatory mitigation may include the purchase of mitigation bank or in-lieu fee program credits. Additionally, NWP 58 states that compensatory mitigation plans for activities in or near streams or other open waters will normally include a requirement for the restoration or enhancement, maintenance, or legal protection (e.g., conservation easement) of riparian areas next to open waters. Any compensatory mitigation required for impacts to WOTUS from the Proposed Action will be determined by the USACE Wilmington District to ensure that the individual and cumulative adverse environmental effects are no more than minimal.

3.2 Additional Mitigation Measures Recommended/Required

Mitigation measures to reduce impacts to natural resources were included in the project EA produced by FEMA. Some of these measures were discussed in the above sections; however, the below measures are highlighted since they were requested by the property owner (NCWRC) and were associated with water-related permitting (Corps of Engineers Section 404 Permit and NCDEQ Section 401 Water Quality Certification).

NCWRC mitigation measures recommended in a scoping/consultation letter response for the FEMA EA included the following specifically to minimize impacts to aquatic and terrestrial wildlife:

1. To minimize entrainment and impingement of eggs, larvae, and juveniles, the water intake screen system must be incorporated into the intake design. This includes a maximum intake velocity of 0.25 ft/sec through a mesh or slotted surface with openings not to exceed 1.0 millimeter. Methodology to clean the screen system must also be designed and discussed to minimize impacts to eggs, larvae, and juveniles.

2. We recommend maintaining a minimum 100-foot native, undisturbed forested buffer along each side of perennial streams and 50-foot native, undisturbed forested buffer along each side of intermittent streams and wetlands.

3. Minimize clearing of the site to retain the maximum amount of native vegetation, particularly large diameter hardwood trees. Avoid clearing the proposed project from roughly March through August, which includes the migratory bird nesting season and maternity roosting season for bats, such as the tricolored bat.

4. During project construction, the trench for the installation of the raw water main should not be left open because it can trap or injure wildlife. We recommend closing trenches at the end of each day or conduct sweeps of trenches to clear wildlife at least once in the morning prior to construction.

5. Non-native plants should not be used for seeding disturbed areas. Specifically, avoid using Bermudagrass, redtop, tall fescue, and lespedeza, which are invasive and/or non-native. A list of alternatives to non-native species has been attached. Alternatively, use grains, such as oats, wheat, or rye for temporary cover and native seed mixes for permeant seeding.

6. We strongly recommend using biodegradable and wildlife-friendly sediment and erosion control devices throughout the site. Silt fencing, fiber rolls, and/or other products should have loose- weave netting that is made of natural fiber materials with movable joints between the vertical and horizontal twines. Silt fencing or similar materials that have been reinforced with plastic or metal mesh should be avoided as they impede the movement of terrestrial wildlife species. Excessive silt and sediment loads

can have detrimental effects on aquatic resources including destruction of spawning habitat, suffocation of eggs, and clogging of gills.

Mitigation measures associated with the U.S. Army Corps of Engineers (USACE) Section 404 regional general permit (non-notifying permit), which have been incorporated into the project construction contractor contract specifications, include the following:

Wetland Disturbances

1. Contractor shall schedule a coordination meeting with Engineer, NCDEQ erosion control inspector, and US Army Corp of Engineers (USACE) prior to commencing any land disturbing activities within or along wetlands to develop a strategy to mitigate pollution of wetlands during construction. Contractor shall come prepared with proposed measures to prevent disturbed soils or other pollutants from entering wetlands.

2. Only wetland areas within the limits of disturbance indicated on the Drawings have been permitted for disturbance. Any additional disturbances outside of the limits of disturbance shall be submitted to USACE and NCDEQ for approval prior to commencing land disturbance activities.

3. Wetland areas will be clearly flagged throughout all construction activities.

4. Temporary fills within wetland areas will be limited to timber or geotextile traction aids.

5. If any temporary excavations are necessary within wetland areas, spoils will be stored in upland areas until project completion and excavations will be backfilled with spoils from the same excavation. At a minimum, the top twelve inches of backfill material will be composed of topsoil from the original excavation.

Wetland Restoration

1. Traction aids will be fully removed immediately upon completion of their intended purpose.

2. Disturbed wetland areas and a 50-foot buffer will be regraded to match pre-construction contours upon removal of temporary traction aids.

3. Disturbed wetland areas will be stabilized with soil erosion control measures immediately upon completion of grading activities.

4. Disturbed wetland areas and a 50-foot buffer will be seeded or planted with native vegetation within 30 days of grading activities.

a. Disturbed banks of the ponded wetland area will be stabilized with native seeded vegetation mats to create an erosion-resistant living shoreline.

b. Disturbed emergent wetlands will be seeded with a native herbaceous vegetation mixture.

c. Disturbed forested wetlands will be seeded or planted with a native canopy vegetation mixture.

The conditions of the NCDEQ Section 401 Water Quality Certification include the below summarized requirements to mitigate the project's potential water quality impacts:

1. Report any noncompliance or violation of stream or wetland standards to the DWR Mooresville Regional Office within 24 hours.
2. No waste, spoil, solids, or fill shall occur in wetlands or waters beyond the approved impacts.
3. Comply with applicable State Regulated Riparian Buffer Rules.
4. Follow the Sediment and Pollution Control Act of 1973 and incorporate Best Management Practices for sediment and erosion control.
5. Do not install sediment and erosion control measures in wetlands or waters except within approved impact areas.
6. Avoid using erosion control matting with plastic mesh or twine along streambanks or within wetlands.
7. Comply with NPDES Construction Stormwater Permit conditions if applicable.
8. Conduct work in or adjacent to streams to prevent contact between flowing water and disturbed areas.
9. Apply fertilizer at agronomic rates and minimize contact with surface waters.
10. Prevent direct contact between uncured concrete and waters of the state.
11. Remove temporary fill and culverts and restore impacted areas to natural conditions within 60 days.
12. Install temporary pipes/culverts/rip-rap pads in streams or wetlands as outlined in relevant manuals.
13. Restrict rip-rap to areas directly impacted by construction and ensure it does not destabilize stream beds or banks.
14. Use appropriately sized and clean rip-rap for stream or shoreline stabilization.
15. Inspect and maintain mechanized equipment to prevent contamination of surface waters.
16. Report any petroleum spills as specified by N.C.G.S 143-215.85(b).
17. Ensure utility lines cross stream channels at a near-perpendicular direction.
18. Minimize construction corridors in wetlands and across stream channels to a maximum width of 40 feet.
19. Restrict permanent maintained access corridors in wetlands and across stream channels to a maximum width of 30 feet.

20. Conduct all activities in a manner consistent with State water quality standards and other relevant laws.

21. Install anti-seep collars at specified intervals for utility lines constructed within wetlands.

22. Restore wetland contours to pre-construction conditions and minimize mixing of topsoil and subsoils.

23. Ensure contractors and agents comply with the terms and conditions of the certification and provide them with a copy of the certification.

The list of mitigation measures for the project associated with the environmental impacts outlined in the FEMA EA are listed in Appendix D, the FEMA Finding of No Significant Impact (FONSI) for the project. The City will comply with all agency-required and/or permit-required mitigation measures and will comply with as many of the recommended measures as practical.

3.3 Overall Significant Project Environmental Benefits

The existing intakes are located along the Yadkin River. The NCDEQ-regulated Protected Area associated with the existing intake extends 10 miles upstream from the intake, as the river runs, and everything within the Protected Area is regulated under a WS-IV classification, which limits the land uses and densities of development allowed within the Protected Area to avoid significant impacts to drinking water supply areas. Relocating the intake downstream to the proposed site partially located on the NCWRC-owned property will put it downstream of the confluence of the Yadkin and South Yadkin Rivers. **Because of the new location that will receive inflow from both rivers, the Protected Area proposed for the new intake will extend 10+ miles upstream around the watersheds of both the Yadkin and South Yadkin Rivers and their tributaries. The new proposed Protected Area (WS-IV) encompasses approximately 66.5 square miles compared to the approximately 24.4 square miles currently regulated for the existing intake location. This proposed increased Protected Area is 270 percent larger than the existing intake's Protected Area. This increase will provide conservation value and environmental benefits through its regulation of WS-IV restrictions on development density and land use activities with the potential to affect water quality on a significantly larger area, thereby helping maintain and improve water quality along two rivers and several tributaries.**

NCDEQ regulations for the WS-IV Protected Area Water Supply Watershed classification include the following restrictions for density of development allowed:

- For low density single-family residential development - 1 dwelling unit (du) per one-half acre or 1 du per 20,000 square foot lot excluding roadway right-of-way or 24 percent built upon; or 3 du per acre or 36 percent built upon area without curb and gutter street system.
- For low-density residential other than single-family and non-residential development – 24 percent built upon area; or 36 percent built upon area without curb and gutter street system.
- For high-density development of all types - 24 to 70 percent built upon area.

For activities and uses allowed under NCDEQ regulations for the WS-IV Protected Area Water Supply Watershed classification, most uses are allowed with the exception of sewage, industrial waste, and other wastes, except where allowed by 15A NCAC 02B.0104.

The below figures feature maps showing the existing and proposed Protected Area boundaries for the project.

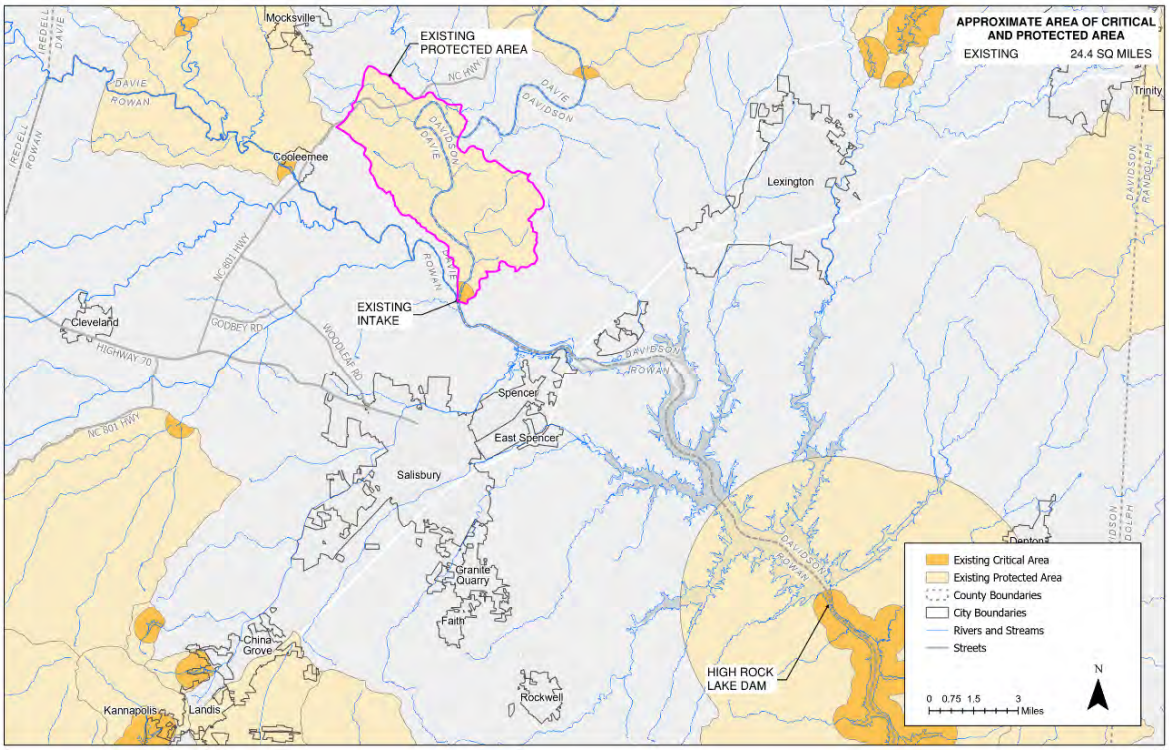


Figure 3-1 Existing Intake Protected Area

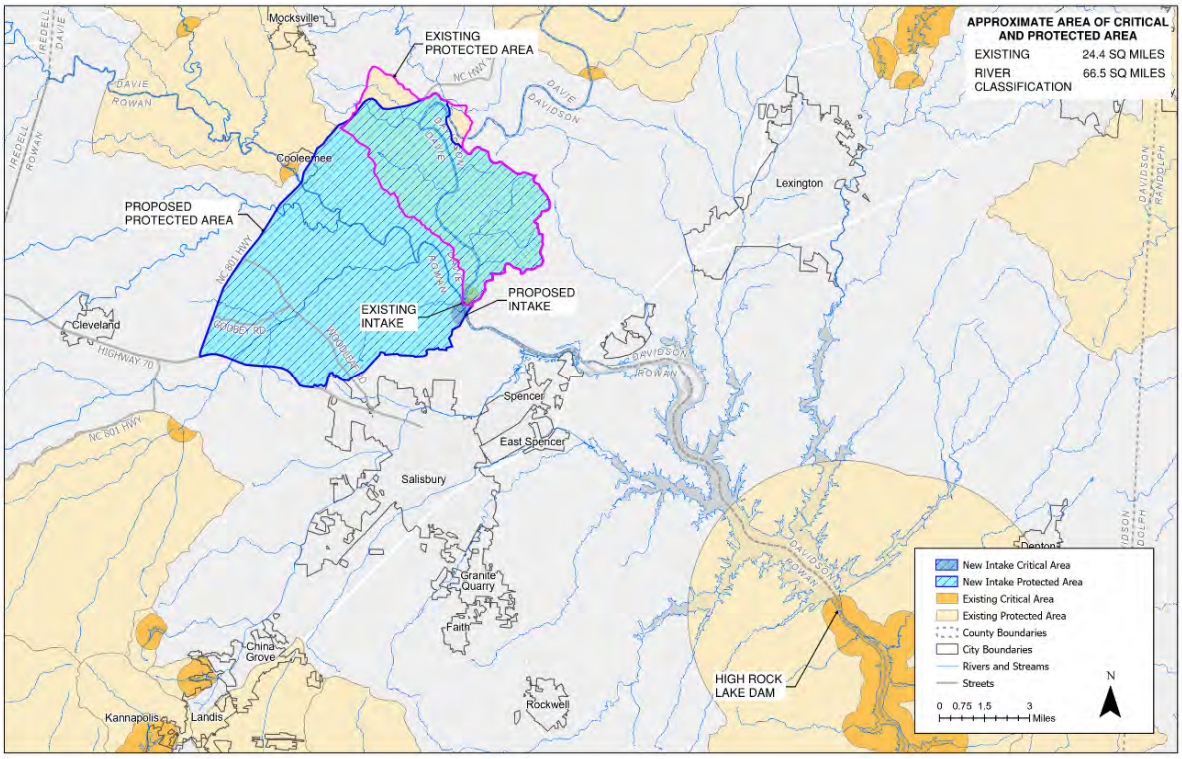


Figure 3-2 Project-Related Intake Protected Area

The City expects to be able to maintain a significant portion of the current NCWRC property in native habitat and unchanged from its current condition, and would consider entering it into conservation status if this can be arranged with the NCLWF. Currently, the 16-acre parcel is not in a conservation status; this is a topic that will be subject to ongoing discussion between the City, NCLWF, and NCWRC.

4.0 No Practical Alternative and Minimization of Impacts

The new intake location has limited areas feasible for access and is most accessible to construction vehicles through the use of the state-owned parcel and the construction access road shown on the drawings in Appendix B. It would be difficult and impractical for construction vehicles to depend on access to the riverside construction area through the permanent access road, as the near-river area of this planned main access traverses very steep terrain and requires a bridge to be constructed from the higher hilltop area out to the intake location; this spans the lower elevation area that would need to be accessed to bring in cranes and other equipment to construct the bridge support columns and the new intake structure. Accessing the new intake construction area from the river and using barge-based equipment is feasible for some activities, but the cranes and other heavy construction equipment require a firmer land base to effectively execute the work. Another alternative considered, but not feasible, is relying completely on use of the Duke transmission line right-of-way to access the construction area near the river. This would be impractical because of the clearance and height restrictions in place in this right-of-way to avoid interference with the existing electric transmission lines as well as the steep topography of the right-of-way area near the river, which is not traversable by heavy construction equipment.

The potential use of the City's eminent domain power would not change the lack of feasible options to access the riverside construction area for this project. There is no other land parcel with access directly to the construction area proposed, which is the location with the least overall impact, as noted in the Alternatives section.

Also, as noted at the end of Section 3.0, **the City expects to be able to maintain a significant portion of the current NCWRC property in native habitat and unchanged from its current condition**; this is a topic that will be subject to ongoing discussion between the City, NCLWF, and NCWRC.

Minimization of project impacts to biological and water-related resources is described in the previous sections.

5.0 Mitigation Proposed (Preservation of Conservation Values on Portions of Property Not Used and/or Property Exchange/Mitigation)

Black & Veatch and the City understand that the NCLWF Guidelines stipulate that the exchange of land is preferred to financial compensation unless it is not practical, and that land proposed for exchange should have similar acreage as the area impacted and have similar conservation and monetary value. This would be determined by the land's resource score in the current NCLWF Application Rating System.

The City proposes to purchase and deed to the NCRWC a parcel of land located at the confluence of the South Yadkin and Yadkin Rivers in Davie County and shown on the following figures. as mitigation for taking approximately 10.030 acres of this 16-acre parcel owned by the NCWRC (and currently not in a conservation status/agreement). This proposed mitigation parcel is 10.120 acres in size and includes significant, higher quality unfragmented forest habitat with frontage on both the South Yadkin and Yadkin Rivers in the same vicinity as the project. This mitigation land will provide better forested habitat and permanently protect water quality in the same watershed (and near other NCWRC-owned properties) as the portion of the parcel being taken out of conservation status and will represent the permanent conservation of better quality habitat and a similar area as the original portion of the parcel of NCWRC-owned land impacted by the project.

A biological field survey has not been completed on this parcel, but can be completed at the request of NCLWF/NCWRC if needed.

Based on the combination of no practicable alternatives for project construction area access, the project's minimization of impacts to biological and water resources, and the proposed land exchange to provide a parcel that will better permanently protect higher quality conservation resources over a similar area (including two rivers), the City requests that the NCLWF and NCWRC agree to remove the 10.030 acre portion of the 16-acre parcel needed to construct this critical water supply resilience project from future conservation agreement status and accept the proposed 10.120 acre mitigation parcel, to be permanently protected through existing conservation easements that are already managed by the Three Rivers Land Trust.

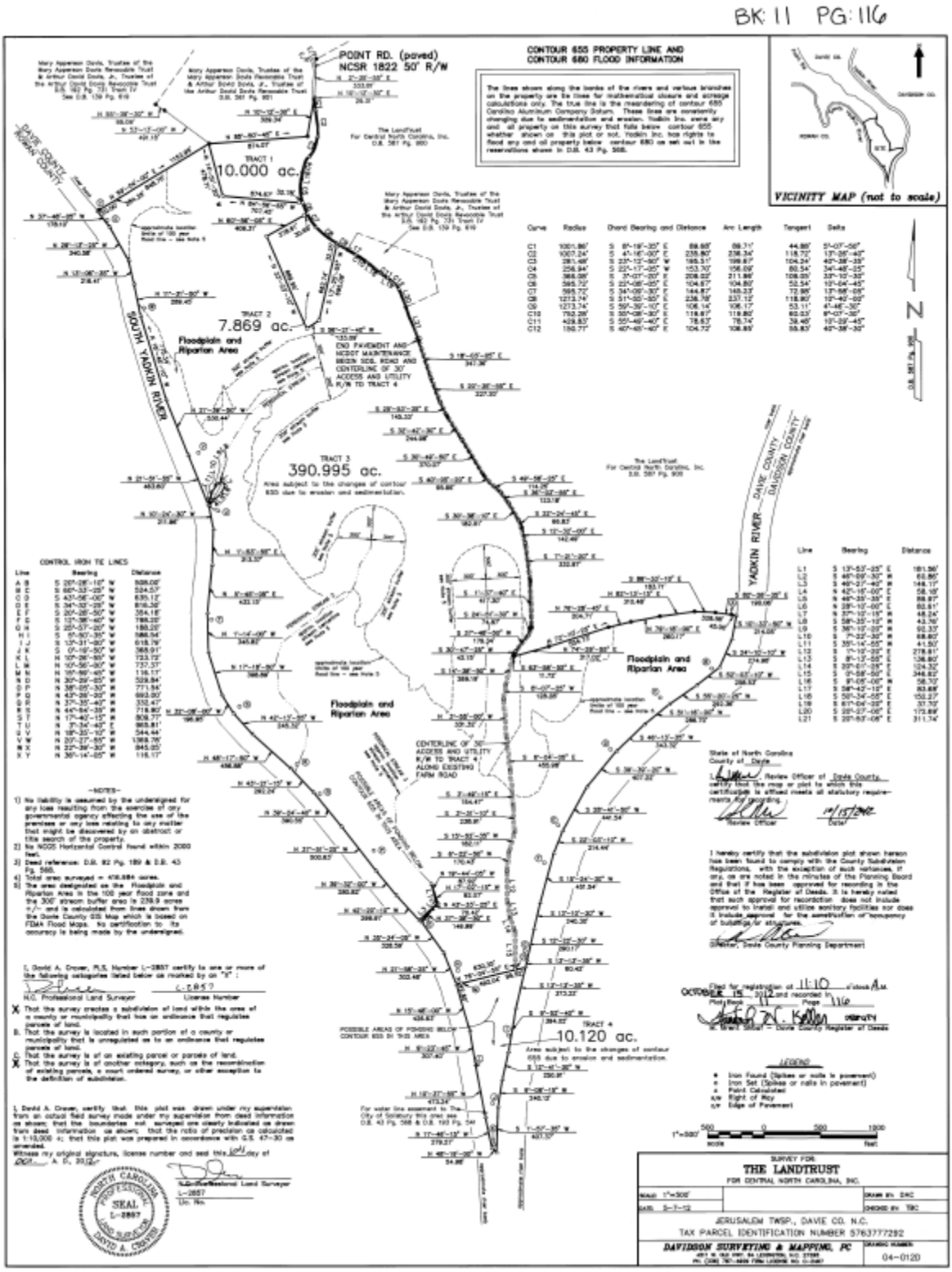
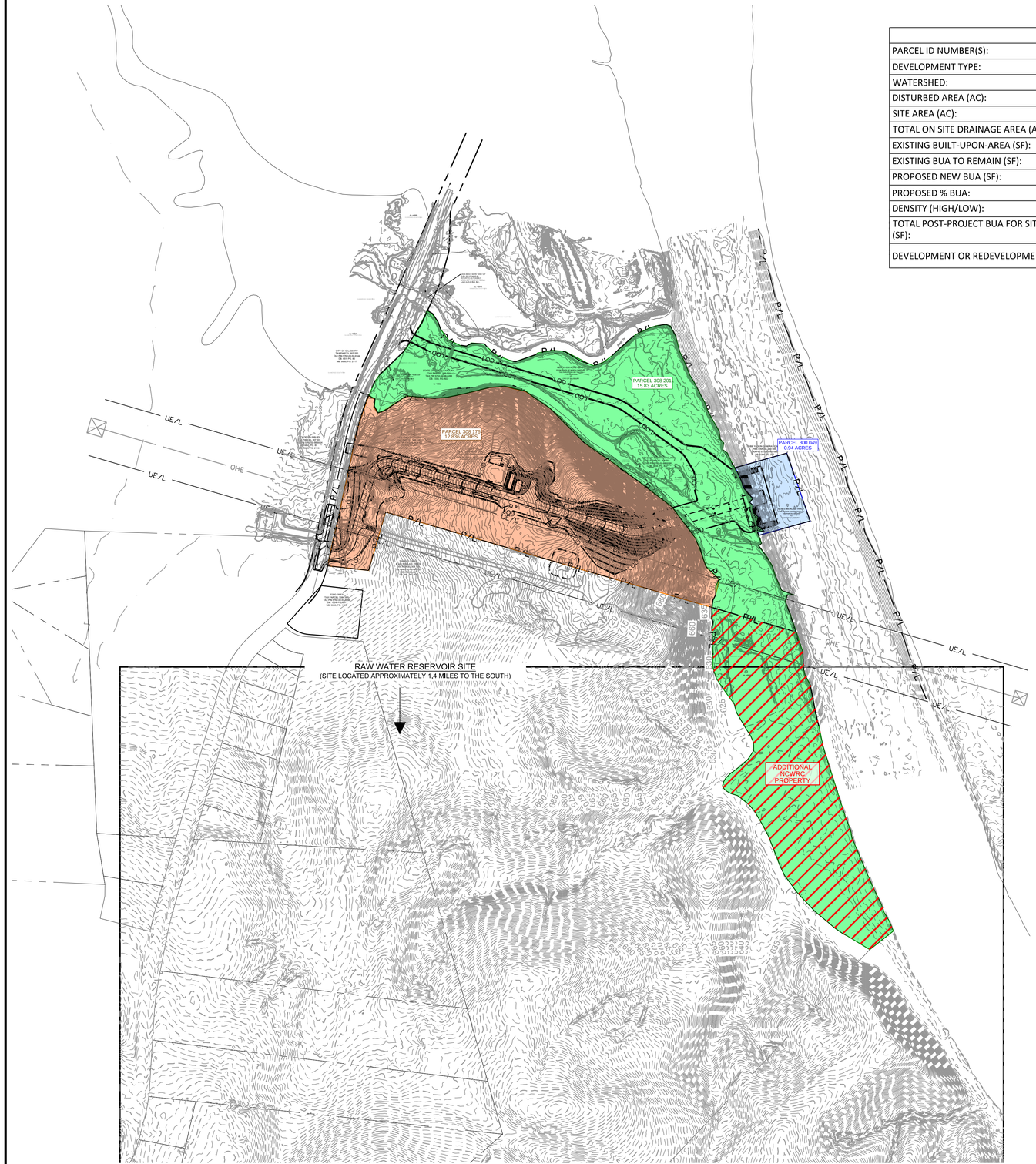


Figure 5-1 Survey of Proposed Mitigation Land

Figure 5-2 Aerial Photography of Proposed Mitigation Land



PCSO SUMMARY TABLE					
PARCEL ID NUMBER(S):	NOTE 7	NOTE 8	NOTE 9	308 068	308 182
DEVELOPMENT TYPE:	COMMERCIAL	COMMERCIAL	COMMERCIAL	COMMERCIAL	COMMERCIAL
WATERSHED:	YADKIN	YADKIN	YADKIN	YADKIN	YADKIN
DISTURBED AREA (AC):	4.5	0.3	1.9	0.9	1.9
SITE AREA (AC):	12.836	0.985	15.830	11.57	3.07
TOTAL ON SITE DRAINAGE AREA (AC):	12.836	0.985	15.830	11.57	3.07
EXISTING BUILT-UPON-AREA (SF):	0	0	0	4,900	3,700
EXISTING BUA TO REMAIN (SF):	0	0	0	4,900	3,700
PROPOSED NEW BUA (SF):	44,100	0	1,100	0	0
PROPOSED % BUA:	8%	0%	0%	1%	3%
DENSITY (HIGH/LOW):	LOW	LOW	LOW	LOW	LOW
TOTAL POST-PROJECT BUA FOR SITE (SF):	44,100	0	1,100	4,900	3,700
DEVELOPMENT OR REDEVELOPMENT?	DEVELOPMENT	DEVELOPMENT	DEVELOPMENT	REDEVELOPMENT	REDEVELOPMENT

200' 100' 0 200' 400'

HORIZONTAL SCALE 1"=200'

NOTES:

1. SEE GENERAL NOTES ON C-00-001.
2. SITE EROSION CONTROL REQUIRMENTS ARE LOCATED ON SHEETS C-04-101 THROUGH C-04-506.
3. REFER TO PROJECT REQUIREMENTS SECTION AND TEMPORARY FACILITIES AND CONTROLS SECTION FOR LOCATIONS AND REQUIREMENTS OF TRAILERS, STORAGE, AND LAYDOWN AREAS.
4. CONTRACTOR SHALL CLEAR, GRADE, AND INSTALL A TEMPORARY ROAD SURFACE WITHIN THE LIMITS OF DISTURBANCE WITHIN THE FLOODPLAIN AND ALONG THE TEMPORARY CONSTRUCTION ACCESS ROAD AS NEEDED TO CONSTRUCT THE YADKIN RIVER RAW WATER INTAKE & PUMP STATION, YADKIN RIVER FACILITY ACCESS BRIDGE, AND ASSOCIATED FACILITIES, PIPING, AND SITEWORK WITHIN THE FLOOD PLAIN. MEASURES SHALL BE TAKEN TO FACILITATE DRAINAGE. FOLLOWING COMPLETION OF CONSTRUCTION, ALL MATERIALS SHALL BE REMOVED FROM THE FLOODPLAIN AND TEMPORARY CONSTRUCTION ACCESS ROAD AND THE AREA SHALL BE RESTORED TO ITS ORIGINAL ELEVATION AND GRADE AND SEEDED. REFER TO THE ENVIRONMENTAL PROTECTION SECTION FOR REQUIREMENTS FOR DISTURBANCES WITHIN AND RESTORATION OF WETLAND AREAS.
5. THE YADKIN RIVER IS PRONE TO OVERFLOWING ITS BANKS AND FLOODING THE SURROUNDING AREAS FOLLOWING STORM EVENTS. REFER TO SHEET G-00-602 FOR APPROXIMATE ELEVATIONS AND RETURN PERIODS FOR FLOOD EVENTS. CONTRACTOR SHALL MAKE PROVISIONS TO PROTECT PROJECT SITE FROM FLOODING AND/OR SHALL BE PREPARED TO EVACUATE ALL PERSONNEL, EQUIPMENT, AND MATERIALS FROM THE PROJECT SITE DURING FLOOD EVENTS. FLOOD WATERS MAY TAKE SEVERAL DAYS TO RECEDE. ANY WORK DAMAGED AS A RESULT OF FLOODING SHALL BE REPAIRED OR REPLACED TO THE SATISFACTION OF THE ENGINEER AT NO ADDITIONAL COST TO THE OWNER.
6. PRIOR TO COMMENCING LAND DISTURBING ACTIVITIES, CONTRACTOR SHALL STAKE OUT THE LIMITS OF DISTURBANCE AND SCHEDULE A SITE WALK WITH ENGINEER.
7. CITY OF SALISBURY IS ACQUIRING A PORTION OF EXISTING PARCEL 308 176. THE PCSO SUMMARY TABLE HAS BEEN COMPLETED FOR THE PROPOSED NEW PARCEL. EXISTING PARCEL 308 176 IS 106.5 AC, LOW DENSITY, UNDEVELOPED, WITH 0 SF BUA.
8. CITY OF SALISBURY IS ACQUIRING A PORTION OF EXISTING PARCEL 300 049. THE PCSO SUMMARY TABLE HAS BEEN COMPLETED FOR THE PROPOSED NEW PARCEL. EXISTING PARCEL 300 049 IS 122.7 AC, LOW DENSITY, UNDEVELOPED, WITH 0 SF BUA.
9. CITY OF SALISBURY IS ACQUIRING A PORTION OF EXISTING PARCEL 308 201. THE PCSO SUMMARY TABLE HAS BEEN COMPLETED FOR THE PROPOSED NEW PARCEL. EXISTING PARCEL 308 201 IS 15.8 AC, LOW DENSITY, UNDEVELOPED, WITH 0 SF BUA.

BLACK & VEATCH
Black & Veatch International Company
Business License No. F-0794
10925 David Taylor Drive, Suite 280
Charlotte, North Carolina 28262

Salisbury-Rowan UTILITIES

TOWN OF APEX
WESTERN TRANSMISSION MAIN - PHASE 2

REVISIONS AND RECORD OF ISSUE

DESIGNED:	
DETAILED:	FLL
CHECKED:	
APPROVED:	
DATE:	MARCH 2025
PROJECT NO.:	413095

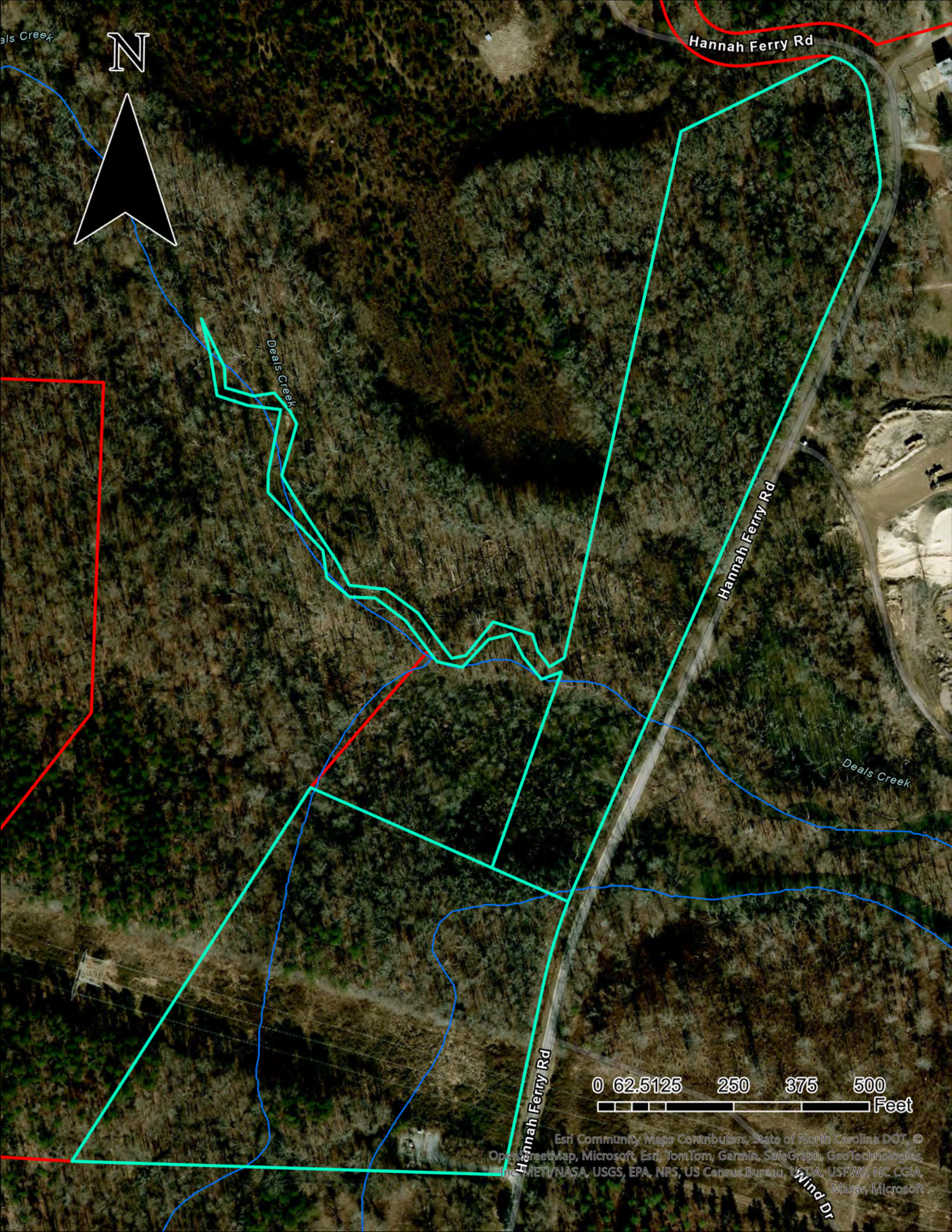
CIVIL

OVERALL PARCEL SITE PLAN

C-06-100 OF

(SCALE BAR IS 4" AT FULL SCALE) 0 1/2 1 2 3 4

3/13/2025 8:16:14 PM
C:\PW_WORKING\BVW_AMERICAS_2\D1766424\C-06-100_APPRAISAL FOR NCWRC PROPERTY.DWG
FD11000


N
Hannah Ferry Rd
Deals Creek
Hannah Ferry Rd
Deals Creek
Hannah Ferry Rd
Wind Dr
0 62.5125 250 375 500
Feet
Esri Community Maps Contributors, State of North Carolina DOT, © OpenStreetMap, Microsoft, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, USFWS, NC CGIA, Maxar, Microsoft

NCLWF Conservation Benefit Analysis Review Sheet

Created 5/02/2023 by JM

Project Number	**Project Name**	**Requesting Party**
2017-033	Alcoa – High Rock Lake	**NCWRC/City of Salisbury**

Score Differential G/Y/R	**Resource**	**Impacted Conservation Area** Alcoa – Yadkin River	**Proposed offset** (Description)
0	**Riparian Buffer**	**Resource Name:** Yadkin River and Deals Creek **Classification**: C, WS-V, 303(d), DWSR: Higher **ARS Score:** 50	**Resource Name:** Deals Creek **Classification:** C, WS-V, 303(d), DWSR: Higher **ARS Score:** 50
n/a	**Historic and Cultural**	**Resource Name:** **Classification:** **ARS Score:**	**Resource Name:** **Classification:** **ARS Score:**
n/a	**Natural Heritage**	**Resource Name:** **Classification:** **ARS Score:**	**Resource Name:** **Classification:** **ARS Score:**
n/a	**Riparian Greenway**	**Resource Name:** **Classification:** **ARS Score:**	**Resource Name:** **Classification:** **ARS Score:**

NCLWF Staff Comments and Interpretation: Though there is less overall stream buffer, the two parcels would score the same for riparian buffer under the current ARS. The presence of low accuracy EOs on the existing WRC site would not factor into scoring and therefore there is no score consideration given to natural heritage value. The result is an equal resource score for both parcels with an increased value for public access and increased acreage resulting in a positive conservation benefit for the proposed exchange parcel.

Notes: Review sheet should be completed for all requests to amend NCLWF conservation agreements. All resources to be impacted should be documented in the appropriate cell. If a given resource is not impacted, replace text in the designated cell with “N/A.” The “Score Differential G/Y/R” column should be color-coded to represent a positive conservation benefit (green), a neutral conservation impact (yellow), or a negative conservation impact (red).

Action Item

Staff member: Will Price

Agenda Item 2a) Request to extend the date to enter into a construction contract for existing Restoration Program Grant.

NCLWF stormwater and restoration construction projects approved after January 1, 2006 are subject to General Statute §143B-135.238(e), which requires grant recipients to enter into a construction contract for the project within one year after grant contract execution. The statute states that the award is withdrawn unless the NCLWF Board of Trustees finds that the applicant has good cause for failing to meet this requirement, and if so, the board must set a new date by which the grant recipient must take action or forfeit the grant.

The following grant recipient has submitted information summarizing the reasons for their delay in entering into a construction contract and has proposed a new date for doing so.

Project Number & Name	Current Construction Contract Deadline	***Proposed*** Construction Contract Deadline
2023-409 - FCNC - Canoe Creek - Restoration	5/7/2025	5/31/2026

Project 2023-409 has been delayed primarily due to the effects of Hurricane Helene on the contracted design firm Wildlands Engineering. Wildlands is based in Asheville, and many of their projects were impacted and delayed, resulting in delays with their ability to work on this Project. In addition, this Project has matching funds from the NC Department of Environmental Quality through Burke County, which requires the Project to bid out the construction contract.

Committee recommendation

The committee recommends approving this extension as requested to 5/31/2026 as the delay is reasonable given the impacts of Hurricane Helene, good progress is now being made, and they have a clear timeline for completion of the Project.

Board action needed

Approve, amend, or deny the committee recommendation.

Attachments: Request from Grantee to extend the date to enter into a construction contract for project 2023-409.

Request to extend the date to enter into a construction contract

2023-409 – Foothills Conservancy of North Carolina – Canoe Creek Restoration

Change Request: 4000069839, 2023-409 FCNC Canoe Ck Rest

Save | Cancel | Refresh

Grant Administrator:	Will Price			
Agreement Number:	2000073976		Project Number:	2023-409
Agreement Period From:	05/07/2024		Agreement Period To:	04/30/2027
	Current	Proposed Revision		
Grant contract date to enter into a construction contract (if applicable):	05/07/2025	05/31/2026		
		Proposed Revision		
Revise Agreement Expiration Date:				
Reason for change:	I am writing to request an extension for the construction contract deadline on NCLWF Grant 2023-409 Canoe Creek Restoration. There are two reasons for the delayed timeline. The primary reason for delay is related to the significant impact of Hurricane Helene in our region in September 2024. The main office for our design and engineering firm, Wildlands Engineering, is based in Asheville. They were directly affected, and many of their projects in the region were also impacted and delayed, requiring extra attention. The delay also involves the need to bid out the construction contract—a requirement made by Burke County, which is funding this restoration partially through DEQ's Division of Water Resources. Taken together, these two issues set the project back several months.			

Information Item

Staff members: Justin Mercer

Agenda Item: 3) Stewardship report

Staff will present the end-of-year summary of the Stewardship Program, including updates on monitoring, additional management fund expenses, and status of conservation agreement violations.

No Board action is needed on this information item.

Action Item

Staff members: Justin Mercer

Agenda Item: 4) Stewardship Endowment Report and Deposit / Withdrawal Request

Each year, per Board practice and the deposit agreement with the Treasurer's Office, the Board is compelled to make decisions about the endowment, including how much will be withdrawn and spent on annual stewardship expenses.

Staff will review the attached stewardship endowment report and following key points with the Board to inform the recommended actions:

- The total value of the Endowment increased $1,013,168.47 from March 2024 to March 2025, ending the past 12-month period with $4.5 million in investment income.
- The 36-month total average value of the Stewardship Endowment is $10.7 million.
- Per the maximum annual expense established through STW-002 Endowment Funds Use Policy, Staff recommends setting a cap of approximately 4% of the 36-month total value, allowing for stewardship spending up to $427,999 in FY25-26.
- Up to $285,406 from 17 Acquisition projects should be transferred to the Endowment principal.
- Up to $367,999 should be withdrawn from investment income to fund stewardship spending for FY25-26.

Board actions needed:

1. Approve, amend, or deny the staff recommendation to authorize FY25-26 stewardship spending up to $427,999 for monitoring contracts, management awards, and other stewardship operating costs.

2. Approve, amend, or deny the staff recommendation to deposit up to $285,406 into the Endowment principal and withdraw up to $367,999 from investment income to fund program expenses.

3. Approve, amend, or deny the staff recommendation to structure the annual transaction between the Fund's three investments to meet the targets set based on prior professional advice, based on the most current available data when the transaction is made.

Attachment: Endowment financial report and proposed transaction

Stewardship Endowment Report – through March 31, 2025

Chart 1. 12-Month Total Value, in millions

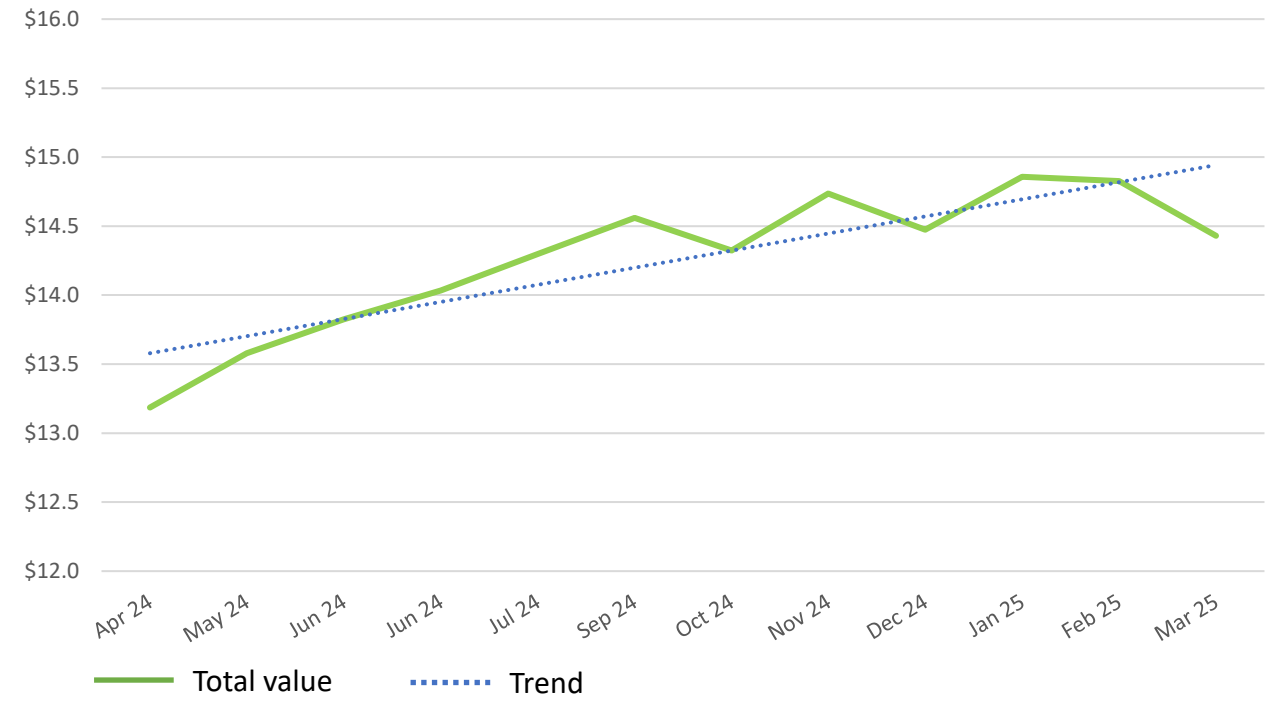
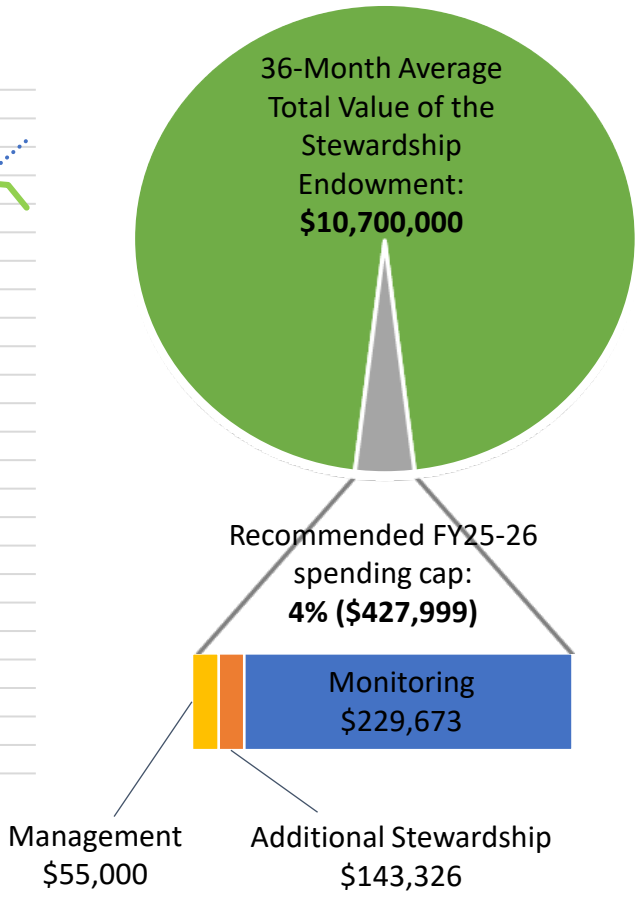


Chart 2. 36-Month Total Value, in millions

Chart 3. Proposed Endowment Cap



Stewardship Endowment Report, continued

Table 2. Stewardship Commitments	
Cash reserve	$60,000
Monitoring expenses	($229,673)
Management funds	($55,000)
Additional stewardship expenses	($143,326)
Amount to withdraw	$367,999
Principal to add for closed projects	$285,406

Chart 4. Target FY25-26 Balance Allocations per Deposit Agreement with Treasurer's Office

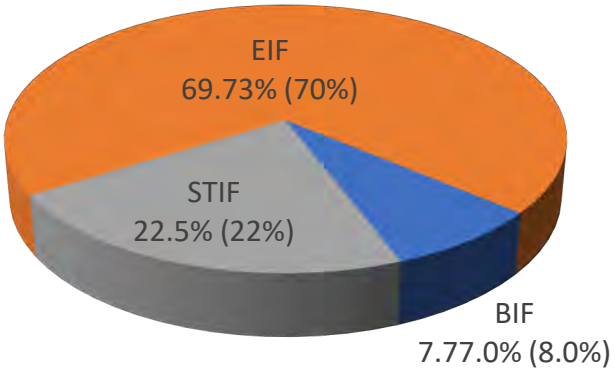
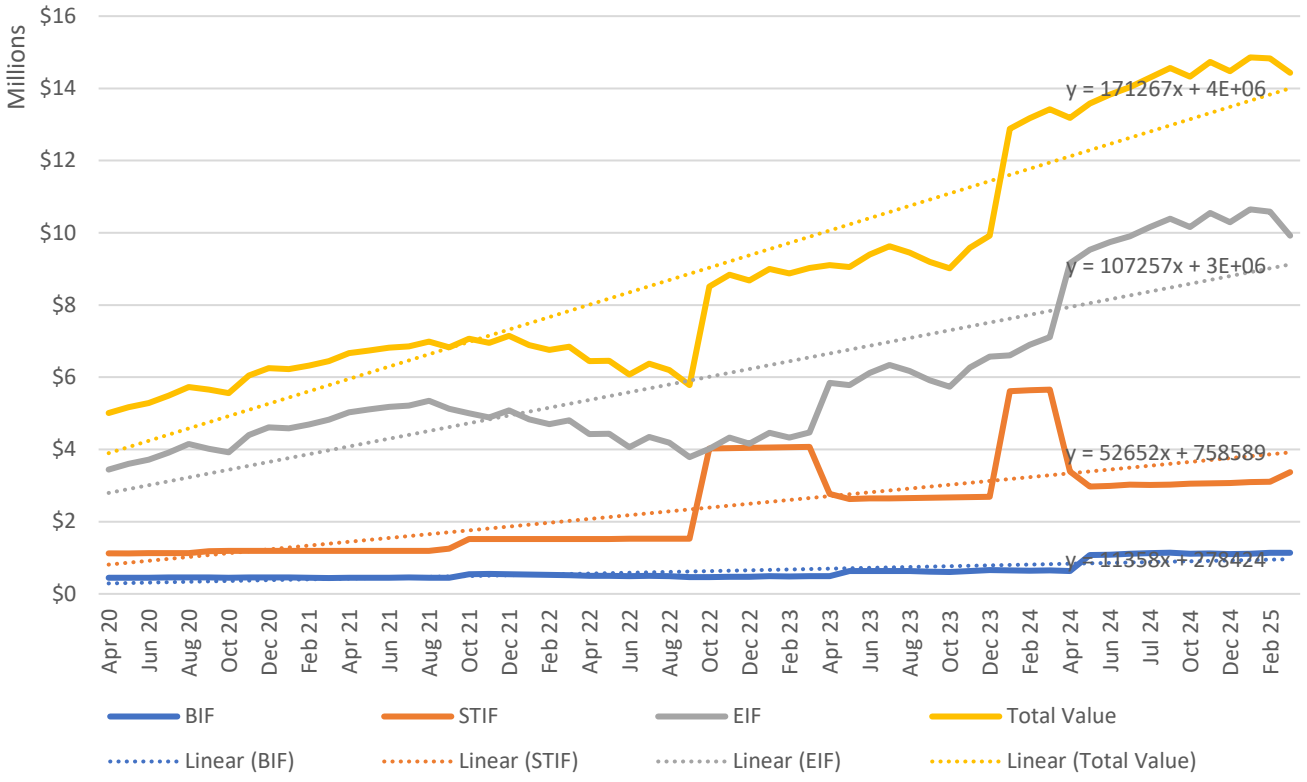


Table 3. Proposed Endowment Transfers*
Actual transaction will balance the funds per the Treasurer's Deposit Agreement

Bond Investment Fund (BIF)	Principal	Investment Income	Total Value
BIF (as of 3/31)	$945,938.47	$190,713.60	$1,136,652.07
Deposit	$0	$0	$0
Withdrawal	$0	($21,000.00)	($21,000.00)
BIF after transfer	$945,938.47	$169,713.60	$1,115,652.07
Short-Term Investment Fund (STIF)	**Principal**	**Investment Income**	**Total Value**
STIF (as of 3/31)	$2,739,111.33	$634,878.25	$3,373,989.58
Deposit	$0	$0	$0
Withdrawal	$0	($146,000.00)	($146,000.00)
STIF after transfer	$2,739,111.33	$488,878.25	$3,227,989.58
Equity Investment Fund (EIF)	**Principal**	**Investment Income**	**Total Value**
EIF (as of 3/31)	$6,252,375.06	$3,666,943.51	$9,919,318.57
Deposit	$285,406.00	$0	$285,406.00
Withdrawal	$0	($200,999.00)	($200,999.00)
EIF after transfer	$6,537,781.06	$3,465,944.51	$10,003,725.57
Totals after transfer	**$10,222,830.86**	**$4,124,536.36**	**$14,347,367.22**

Stewardship Endowment Report, continued

Chart 5. 60-Month Endowment Performance, in millions



Performance

Total return % as of 03/31/2025 (return percentages are annualized as of period end)

	Q1*	YTD*	1 Year*	3 Year	5 Year	10 Year	Since Inception
Fund return %	-1.2	-1.20	7.45	7.19	15.45	9.13	9.58
Benchmark return %	-1.32	-1.32	7.15	6.91	15.17	8.84	9.29
Difference	**0.12**	**0.12**	**0.30**	**0.28**	**0.28**	**0.29**	**0.29**

Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. Past performance is not necessarily an indicator of future performance.

* Period returns for less than one year are cumulative

Action Item

Staff member: Zoe Hansen Burnet

Agenda Item 5a) Annual reaffirmation of Guidelines and Practices

Background
The NCLWF Board Guidelines and Practices are a compilation of procedures, standards and expectations to assist the board with the implementation of its duties and to direct staff in the execution of administrative procedures. The Board updates individual guidelines as needed and will reaffirm the entire body of these guidelines at least annually.

Staff recommendation
Approve the continued use of the NCLWF Board Guidelines and Practices for the 2025 grant cycle.

Board action needed
Approve, deny or amend the staff recommendation.

Attachments/supporting materials: The NCLWF Board Guidelines and Practices can be found here: https://nclwf.nc.gov/nclwf-board-guidelines/open

Information Item

Staff member: Will Summer

Agenda Item 5b) Discussion of updates / edits to Guidelines and Practices

The NCLWF Board is expected to reaffirm its Guidelines and Practices each year. Staff will present some potential items for the board to consider amending or updating before reaffirming next year as well as gage interest from the board for other items that trustees may want to consider. The intention will be for committees to meet between now and the December 2025 Board Meeting to work on and propose edits or additions to the Guidelines and Practices manual.

Attachments/supporting materials: The NCLWF Board Guidelines and Practices can be found here: https://nclwf.nc.gov/nclwf-board-guidelines/open