



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

MICHAEL F. EASLEY
GOVERNOR

LYNDO TIPPETT
SECRETARY

March 14, 2005

U.S. Army Corps of Engineers
Asheville Regulatory Field Office
151 Patton Avenue, Room 208
Asheville, North Carolina 28801-5006

ATTN: Ms. Angie Pennock
NCDOT Coordinator

Dear Ms. Pennock:

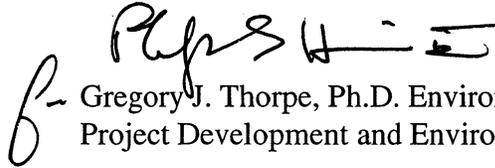
Subject: **Application for Individual Section 404 and 401 Permit Modifications;**
Cherokee County; Murphy Bypass; US 64 Relocation from US 19-74-129
in Murphy to east of NC 141 in Peachtree; State Project No. 8.1910203;
Federal Aid Project No. FR-14-1(1); TIP No. R-0977A.

The North Carolina Department of Transportation (NCDOT) proposes to improve highway US 64 by relocating a segment of the road south of the existing alignment between US 19-74-129 in Murphy and SR 1547 east of NC 141 in Peachtree, Cherokee County, North Carolina, Transportation Improvement Program number R-0977A (Murphy Bypass). As proposed, the Murphy Bypass is 4.9 miles long and crosses several surface waters, including two crossings of the Hiwassee River.

This correspondence serves as a request for Section 404 and 401 permits to be modified for the Murphy Bypass. Included with this cover letter is the EEP letter requesting that the mitigation strategy for this project be revised to reflect Section IX of the MOA, which allows the utilization of high quality preservation for this project. Please reference this letter for additional information.

If you have any questions or need additional information, please contact Mr. Chris Manley at (919) 715-1487 or cdmanley@dot.state.nc.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory J. Thorpe". The signature is written in a cursive style with a large initial "G" and a horizontal line at the end.

Gregory J. Thorpe, Ph.D. Environmental Management Director,
Project Development and Environmental Analysis Branch

GJT/cdm

cc: Ms. Angie Pennock, USACE, Asheville Regulatory Field Office
Mr. John Hennessy, Division of Water Quality
Mr. Harold Draper, TVA
Ms. Beth Harmon, EEP
Ms. Marella Buncick, USFWS
Ms. Marla Chambers, NCWRC



February 25, 2005

Mr. David Franklin
US Army Corps of Engineers
Wilmington Regulatory Field Office
Post Office Box 1890
Wilmington, North Carolina 28403-1890

Dear Mr. Franklin:

Subject: EEP Mitigation Acceptance Letter (Replaces Mitigation Acceptance Letter issued by the N. C. Wetlands Restoration Program/In-Lieu Program)

R-0977A, US 64 Relocation, Cherokee County; Hiwassee River Basin
(Cataloging Unit 06020002)

USACE Action ID Number 200530150
NCDWQ Number 3487

The purpose of this letter is to notify you that the Ecosystem Enhancement Program (EEP) will provide the wetland and stream mitigation required for the subject project. The impacts associated with this project were originally accepted into the N. C. Wetlands Restoration Program on December 30, 1998, and a renewed acceptance letter was issued by the In-Lieu Fee Program (ILF) to the N. C. Department of Transportation (NCDOT) on September 23, 2004 and copied to the U. S. Army Corps of Engineers (USACE) and N. C. Division of Water Quality (NCDWQ).

The subject TIP project is listed in Exhibit 2 (Approved Project Transition List) of the Memorandum of Agreement (MOA) signed on July 22, 2003 between the U. S. Army Corps of Engineers, N. C. Department of Environment and Natural Resources, and the N. C. Department of Transportation. Therefore, the mitigation for this project can be conducted under Section IX of the MOA provided that sufficient high quality preservation mitigation is available within the same eco-region as the subject project's impacts. The project is located in the Southern Mountains eco-region.

Since the issuance of the second mitigation acceptance letter into the ILF Program, sufficient high quality preservation mitigation assets have been acquired by the Ecosystem Enhancement Program (EEP) in the Southern Mountains eco-region. EEP respectfully requests that the mitigation strategy for this project be revised to reflect Section IX of the MOA which allows the utilization of high quality preservation for all projects listed on Exhibit 2. EEP understands that the USACE 404 Individual Permit and NCDWQ Individual Water Quality Certifications have been issued for this project and permit modifications will be required to facilitate a change in wetland and stream mitigation strategy.

Restoring... Enhancing... Protecting Our State



The impacts associated with this project are located in Cataloging Unit 06020002 of the Hiwassee River Basin. The EEP intends to utilize high quality preservation to offset the 0.82 acres of unavoidable riverine wetland and 6,011 feet of unavoidable stream impacts for this project in the following manner:

Riverine Wetland Mitigation:

High Quality Riverine Wetland Preservation (10:1) in same eco-region (8.20 acres):

Needmore Mitigation Site, Macon and Swain Counties

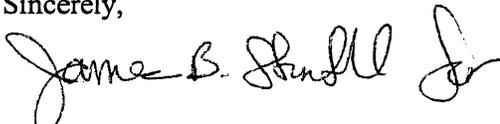
Stream Mitigation:

High Quality Stream Preservation (10:1) in same eco-region (60,110 feet):

Needmore Mitigation Site, Macon and Swain Counties

If you have any questions or need additional information, please contact Ms. Beth Harmon at (919) 715-1929.

Sincerely,



William D. Gilmore, P.E.
EEP Director

cc: Mr. Steve Lund, USACE, Asheville Regulatory Field Office
Mr. Phil Harris, Office of Natural Environment, NCDOT
Mr. John Hennessey, Division of Water Quality, Wetlands/401 Unit
File: R-0977A