



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

April 6, 2011

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

ATTN: Mr. Monte Matthews
NCDOT Coordinator

Subject: **Modification Request for Individual Section 404 Permit and to Individual Section 401 Certification for R-0529**
US 421 from Deep Gap to Boone
Watauga County
NCDOT Division 11
State Project Numbers 8.1750601
T.I.P. Project Number R-0529
Debit \$570.00 from WBS Element 34342.1.2

Reference:

- Individual 401 Water Quality Certification No. 3085 issued April 20, 1998
- Department of the Army Permit issued May 4, 1998. COE Action ID 199707161.
- Ecosystem Enhancement Program acceptance letter issued March 28, 2011.

Dear Mr. Baker:

This letter addresses the mitigation requirements specified for TIP project R-0529 that to date remain unfulfilled. At the time the initial permits were issued, the NCDOT entered into an agreement with the North Carolina Wildlife Resources Commission (NCWRC) for the NCWRC to provide stream mitigation for this project.

In accordance with the NCDOT/NCWRC agreement for R-0529 mitigation requirements, the NCWRC identified and developed several mitigation sites. In July 2005, the NCDOT transferred management of all mitigation sites developed by the NCWRC associated with this and other TIP projects for which NCWRC had agreed to provide stream mitigation. EEP agreed to manage and complete any remaining work required to close out the existing NCWRC mitigation sites and to implement any additional mitigation credits needed to satisfy the permit conditions associated with the TIP projects. EEP also agreed mitigation projects developed under each agreement

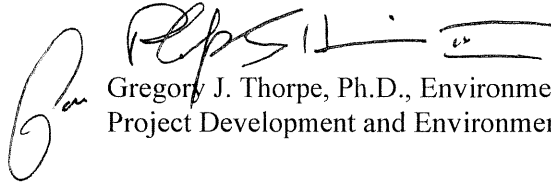
would be utilized toward meeting the mitigation needs of each specific TIP project. Currently, the EEP is scheduled to provide an additional 12,264 stream mitigation credits.

The NCDOT requests that all permits for this project be modified to reflect that the EEP will provide the referenced mitigation credits. Please see attached EEP Mitigation Acceptance Letter, which provides further detail on the current status of mitigation credits for R-529.

A copy of this permit application and its distribution list will be posted on the NCDOT website at <http://www.ncdot.org/doh/preconstruct/pe/neu/permit.html>

Thank you for your assistance with this project. If you have any questions or need additional information, please contact Ms. Carla Dagnino (919) 707-6110.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gregory J. Thorpe', with a stylized flourish at the end.

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

CC: NCDOT Permit Application Standard Distribution List



March 28, 2011

Mr. Gregory J. Thorpe, Ph.D.
 Manager, Project Development and Environmental Analysis Branch
 North Carolina Department of Transportation
 1548 Mail Service Center
 Raleigh, North Carolina 27699-1548

Dear Dr. Thorpe:

Subject: TIP R-0529 BA/BB/BD (R-0529), US 421 Widening, Watauga County, New River Basin – Cataloging Unit 05050001; USACE Action ID 1997-07161

This purpose of this letter is to notify you that the Ecosystem Enhancement Program (EEP) will provide the stream mitigation required to offset the impacts associated with the above referenced TIP project. According to information provided by the NCDOT, the project required 16,651 stream mitigation credits. The NCDOT entered into an agreement with the North Carolina Wildlife Resources Commission (NCWRC) for the stream mitigation needed for this project.

In accordance with the NCDOT/NCWRC agreement for R-0529 mitigation requirements, the NCWRC identified and developed several mitigation sites. In July 2005, the NCDOT transferred management of all mitigation sites developed by the NCWRC associated with this and other TIP projects for which NCWRC had agreed to provide stream mitigation. EEP agreed to manage and complete any remaining work required to close out the existing NCWRC mitigation sites and to implement any additional mitigation credits needed to satisfy the permit conditions associated with the TIP projects. EEP also agreed mitigation projects developed under each agreement would be utilized toward meeting the mitigation needs of each specific TIP project.

Most of the stream mitigation sites NCWRC had identified for TIP R-0529 were in design or construction at the time of transfer. EEP contracted with the NCWRC to conduct the monitoring activities on the six mitigation projects of which five are now complete and going through the close out process. Monitoring activities for the last project should be completed by 2013. Below is a table of the mitigation projects and associated stream mitigation credits developed by NCWRC specifically for TIP R-0529:

Site Name	County	Phase	Feet	Ratio	Credits
UT to Peak Creek (Bare)	Ashe	Long Term Management	2,183	3:1	728
UT to Laxon Creek (Carp)	Watauga	Long Term Management	538	1:1	538
Meat Camp Creek (Miller)	Watauga	Long Term Management	652	3:1	217
Laxon Creek (Racey)	Watauga	Long Term Management	1,160	1:1	1,160
Obids Creek (Wild)	Ashe	Long Term Management	1,819	3:1	606
Peak Creek (Bowlin)	Ashe	Monitoring Year 3	1,707	1.5:1	1,138
Total Amount of Mitigation Produced			8,059		4,387

NOTE: Information above was as of March 15, 2011.

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Mr. Greg Thorpe
March 28, 2011
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EEP previously committed to providing the remaining amount of stream mitigation credits needed to offset the stream impacts associated with this TIP project in October 2005 and have worked on implementing sufficient stream mitigation credits in the cataloging unit to meet this. Currently, the remaining need is 12,264 stream mitigation credits but that amount could change based on any change on the six NCWRC implemented mitigation projects. The final amount of additional mitigation stream credits needed outside of the NCWRC identified mitigation projects will not be precisely known until all six of those mitigation projects have been closed out by the regulatory agencies. If the stream mitigation credits from the above mitigation projects change, then EEP will modify the remaining amount of stream mitigation credits needed for this TIP project.

If you have any questions or need additional information, please contact Mr. Jim Stanfill at 919-218-6872.

Sincerely,



William D. Gilmore, P.E.
EEP Director

cc: Mr. Scott McLendon, USACE – Wilmington Regulatory Field Office
Mr. Todd Tugwell, USACE – Falls Lake
Mr. Brian Wrenn, Division of Water Quality, Wetlands/401 Unit
Ms. Linda Fitzpatrick, NCDOT – PDEA
File: R-0529 BA/BB/BD

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