

September 20, 2005

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

Dear Dr. Thorpe:

Subject: EEP Mitigation Acceptance Letter:

R-2552, US 70 – Clayton Bypass, Wake and Johnston Counties

References: NCDOT Mitigation Request Letter Dated October 15, 2004
(Revised via e-mail from Matt Haney)

EEP Mitigation Acceptance Letter Dated October 26, 2004
EEP Mitigation Acceptance Letter Dated February 23, 2005

The purpose of this letter is to notify you that the Ecosystem Enhancement Program (EEP) will provide the required wetland and stream mitigation for the subject project. Based on the information supplied by you in letters dated October 15, 2004 (revised via e-mail from Matt Haney on October 21, 2004), February 11, 2005, and September 6, 2005, the impacts are located in CU 03020201 of the Neuse River Basin in both the Central Piedmont (CP) and Northern Inner Coastal Plain (NICP) Eco-Regions, and are as follows:

CP: Riverine Wetlands: 2.48 acres; Non-Riverine Wetlands: 0.18 acre;
Stream: 2,095 feet

NICP: Riverine Wetlands: 9.52 acres; Non-Riverine Wetlands: 10.11 acres;
Stream: 7,416 feet

Also, as indicated in your September 6, 2005 letter, the buffer impacts have changed since the issuance of the 401 Water Quality Certification/Neuse Buffer Certification and therefore so do the mitigation requirements. The project will still

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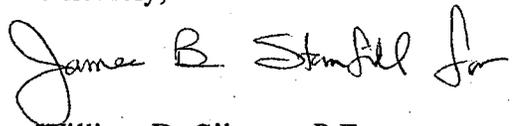
impact buffers located in CU 03020201 of the Neuse River Basin. The total revised buffer impacts are 377,328 square feet in Zone 1 and 320,323 square feet in Zone 2. Please note, since buffer impacts were not projected in the NCDOT's 7-year Impact Projection Database, EEP was not able to include these cost in the Biennial budget approved at the July 2004 Board of Transportation meeting. The buffer mitigation request and approval will be managed through the EEP's In-Lieu Fee (ILF) Program.

The NCDOT will be responsible to ensure that the appropriate compensation for the buffer mitigation will be provided in the agreed upon method of fund transfer. Upon receipt of the NCDWQ's Buffer Certification, the NCDOT will provide the EEP a copy of the Certification along with a letter verifying the buffer impact/mitigation amounts and requesting a fund transfer to provide the required compensation. The EEP will transfer funds from the MOA Account (Fund 2984) into the ILF Buffer Mitigation Fund (Fund 2982). Since this expense is outside of the approved Biennial budget, the EEP will request reimbursement for the buffer mitigation on the next quarterly invoice after the transfer has occurred.

This letter replaces the mitigation acceptance letter issued on February 23, 2005. As stated in your letter, the subject project is listed in Exhibit 2 of the Memorandum of Agreement among the North Carolina Department of Environment and Natural Resources, the North Carolina Department of Transportation, and the U. S. Army Corps of Engineers, Wilmington District dated July 22, 2003. The mitigation for the subject project will be provided in accordance with this agreement.

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: Eric Alsmeyer, USACE-Raleigh
John Hennessy, Division of Water Quality, Wetlands/401 Unit
File: R-2552 Revised-2

Tyler
For your files



RECEIPT

October 4, 2005
DWQ#: 04-1760
COE#: N/A
DOT TIP #: R-2552 AA, AB, B, C

Greg Thorpe, Ph.D., Director
North Carolina Department of Transportation
Project Development & Environmental Analysis Branch
1548 Mail Service Center
Raleigh, NC 27699-1548

Project: US 70 Clayton ByPass County: Johnston

The North Carolina Ecosystem Enhancement Program (NC EEP) has transferred funds in the amount of \$1,736.64, transferred on September 19, 2005, as payment for the compensatory mitigation requirements of the 401 Water Quality Certification/Section 404 permit issued for the above reference project. This receipt serves as notification that the compensatory mitigation requirements for this project have been satisfied. Please note that you must also comply with all other conditions of the certification and any other state, federal or local government permits or authorization associated with this activity.

The NC EEP, by transferring of these funds, acknowledges that the NC EEP is responsible for the compensatory mitigation requirements associated with the project permit and agrees to provide the compensatory mitigation as specified in the permit. The mitigation will be performed in accordance with the Memorandum of Agreement between the NC Department of Environment and Natural Resources, The North Carolina Department of Transportation and the US Army Corps of Engineers signed July 22, 2003, as indicated in the table below.

River Basin Cataloging Unit	Wetlands (Acres)			Stream (Linear Feet)			Buffer Zone 1 (Sq. Ft.)	Buffer Zone 2 (Sq. Ft.)
	Riparian	Non-Riparian	Coastal Marsh	Cold	Cool	Warm		
Neuse 03020201	0	0	0	0	0	0	0	1,809

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

Sincerely,

James B. Standfill
for

William D. Gilmore, PE
Director

- cc: Cyndi Karoly, Wetlands/401 Unit
- Linda Fitzpatrick, NC DOT, PDEA – Natural Environmental Unit
- Mike Bell, USACE - Washington
- John Hennessy, DWQ Regional Office
- Eric Kulz, DWQ Regional Office - Raleigh
- File

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Tyler

INVOICE

September 12, 2005
 DWQ#: 04-1760
 COE#: N/A
 DOT TIP #: R-2552 AA,AB,B,C

Greg Thorpe, PhD., Manager
 Planning & Environmental Branch
 NC Department of Transportation
 1548 Mail Service Center
 Raleigh, NC 27699-1548

Project: US 70 Clayton Bypass County: Johnston

You have elected to satisfy the compensatory mitigation requirements of the Section 401/404 permit issued for the above reference project through payment of a fee to the North Carolina Ecosystem Enhancement Program. In accordance with 15A NCAC 2H.0500, your fee has been calculated as follows (Please note: payment of wetlands is calculated in increments of 0.25 acres). If you have any questions concerning this payment, please call Carol Shaw at 919-733-5205.

Riparian Wetlands	0 acres	x	\$26,246.00	=	\$
Non-Riparian Wetlands	0 acres	x	\$13,230.00	=	\$
Stream	0 linear acres	x	\$ 219.00	=	\$
Buffer - Zone 1	0 square feet	x	\$.96	=	\$
Buffer - Zone 2	1,809 square feet	x	\$.96	=	<u>\$1,736.64</u>
Total amount of payment					\$1,736.64

A budget transfer will be processed in the amount of \$1,736.64 to:
 North Carolina Ecosystem Enhancement Program

If you have any questions concerning this payment, please contact Beth Harmon at 919-715-1929.

Please note that a payment made to the NC Ecosystem Enhancement Program is not reimbursable unless a request for reimbursement is received within 12 months of the date of the receipt. Any such request must be accompanied by letters from the permitting agencies stating that the permit and/or authorization have been rescinded.

YOU MUST BE IN POSSESSION OF THE PAYMENT RECEIPT FROM THE NC ECOSYSTEM ENHANCEMENT PROGRAM PRIOR TO COMMENCING THE ACTIVITIES AUTHORIZED BY THE DEPARTMENT OF ARMY PERMIT AND/OR THE 401 WATER QUALITY CERTIFICATION.

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