

## Mitigation Plan

### Pepperwood Farm Riparian Buffer Mitigation

Wake County, North Carolina  
EEP Project ID No. 95713

Neuse River Basin  
Cataloging Unit 03020201



Prepared for:



NCDENR - Ecosystem Enhancement Program  
2728 Capital Boulevard, Suite 1H 103  
Raleigh, North Carolina 27604

January 10, 2014

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Wake County, North Carolina  
EEP Project ID No. 95713

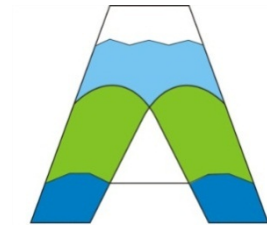
Neuse River Basin  
Cataloging Unit 03020201

Prepared for:



NC DENR - Ecosystem Enhancement Program  
2728 Capital Boulevard, Suite 1H 103  
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January 10, 2014

## **EXECUTIVE SUMMARY**

The Pepperwood Farm Riparian Buffer Mitigation Site (Site) is located approximately 1 mile northeast of Willow Springs and 4 miles northeast of Fuquay-Varina, in Wake County North Carolina. The Site is situated in the United States Geological Society (USGS) 14-digit Hydrologic Cataloging Unit (HUC) 03020201120010 of the Neuse River Basin; a North Carolina Ecosystem Enhancement Program (NC EEP) Targeted Local Watershed (TLW); and within the North Carolina Division of Water Quality (NC DWR) Sub-basin 03-04-03. The Site encompasses 12.66 acres of agricultural land and has been historically used for livestock grazing and hay fields. The Site was identified to assist the North Carolina Ecosystem Enhancement Program (NC EEP) in meeting riparian buffer restoration goals in the Neuse 03020201 Watershed.

This document details planned riparian buffer restoration activities. The Site encompasses five unnamed tributaries, and is characterized by a high density horse boarding facility, fallow fields, and hay fields. The Site has been cleared of native forest vegetation; streams have been impacted by straightening, continual maintenance, and hoof shear. The five unnamed hydrologic features of the Site are direct tributaries to Terrible Creek, Stream Index Number 27-43-15-8-(2) and a Best Usage Classification of C, NSW (NC DWR 2009). Terrible Creek and its tributaries are not listed on the NC DWR final 2010 303(d) list; however, Middle Creek (Stream Index Number 27-43-45(4) less than 1 mile downstream of the Site is listed in the final 2010 303(d) list for a standard violation reducing aquatic life integrity as the result of increased zinc and turbidity levels (NC DWR 2010). Vegetation of Site streams and slopes will reduce sedimentation and pollution resulting from agricultural practices.

This document represents a detailed mitigation plan summarizing activities proposed for the Site. The plan includes 1) descriptions of existing conditions; 2) reference studies; 3) restoration plans; and 4) monitoring and success criteria. Upon approval of this plan by the NC EEP, construction plans will be prepared and activities implemented as outlined. Proposed restoration activities may be modified during the design stage to address constraints such as access issues, sediment-erosion control measures, drainage needs (floodway constraints), or other design considerations.

This Mitigation Plan has been written in conformance with the requirements of the following documents:

- NC Division of Water Resources Administrative Code 15A NCAC 02B.0242.
- Ecosystem Enhancement Program Full Deliver RFP 16-004795 and associated addendum.

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## 1.0 Restoration Project Goals and Objectives

NC EEP develops River Basin Restoration Priorities (RBRP) to guide its restoration activities with each of the state's 54 cataloging units. RBRP delineate specific watersheds that exhibit both the need and opportunity for wetland, stream and riparian buffer restoration. These watersheds are called Targeted Local Watersheds (TLWs) and receive priority for NC EEP planning and restoration project funds.

The 2010 Neuse River Basin Restoration Priorities identifies Middle Creek HUC 03020201120010 as a Targeted Local Watershed ([http://portal.ncdenr.org/c/document\\_library/get\\_file?uuid=665be84c-cf93-477b-918c-1993778ef11f&groupId=60329](http://portal.ncdenr.org/c/document_library/get_file?uuid=665be84c-cf93-477b-918c-1993778ef11f&groupId=60329)). With a 57 square mile watershed the Middle Creek TLW land use is predominantly dominated by forested area (46%) and secondly by agricultural area (28%). Impervious surfaces only account for 5.2% of land use; development directly upstream of the Site has had a moderate effect on stream conditions entering the Site.

The Site encompasses five unnamed tributaries with direct hydrologic connection to Terrible Creek, DWR Stream Index Number 27-43-15-8-(2) and a Best Usage Classification of C, NSW (NC DWR 2009). Class C uses included aquatic life propagation and survival, fishing, wildlife, secondary recreation, and agriculture. Secondary recreation includes wading, boating, and other uses not involving human body contact with waters on an organized or frequent basis. The designation NSW (Nutrient Sensitive Waters) includes areas with water quality problems associated with excessive plant growth resulting from nutrient enrichment. Local programs to control nonpoint sources and stormwater discharges of pollution are required.

The 2010 Neuse River Basin Restoration Priorities states one third of all streams are unbuffered and identified buffer and stream restoration projects as critical to restore bank stability. The Site is situated within the city limits of Fuquay-Varina. There is a high probability that land use will change from forested to residential or commercial development, adding impervious surfaces and additional stress to the watershed. The Pepperwood Farm Project was identified as a riparian buffer restoration opportunity to improve water quality, enhance flood attenuation, and restore wildlife habitat within the TLW.

The project goals address stressors identified in the TLW and include the following:

1. Removing nonpoint sources of pollution associated with agricultural activities including a) removal of horses from riparian areas; b) eliminating the application of fertilizer, pesticides, and other agricultural materials into and adjacent to streams; and c) establishing a vegetative buffer adjacent to streams to treat surface runoff, which may contain pollutants such as sediment and/or agricultural pollutants from the adjacent landscape.
2. Reducing sedimentation onsite and downstream by a) reducing bank erosion associated with vegetation maintenance and b) planting a diverse hardwood vegetative buffer adjacent to Site tributaries.
3. Stabilizing stream banks where necessary by sloping channel banks, and installing erosion control matting and livestock stakes.
4. Improving aquatic habitat by enhancing stream bed shading and natural detritus input.
5. Providing a terrestrial wildlife corridor and refuge in an area continually being developed for commercial and residential use.
6. Restoring and reestablishing natural community structure, habitat diversity, and functional continuity.
7. Protecting the Site's full potential of stream and riparian buffer functions and values in perpetuity.

The project goals will be addressed through the following project objectives:

1. Providing a minimum of **10.70 Neuse River Riparian Buffer Units**, as calculated in accordance with the requirements stipulated in RFP #16-004362.
2. Restoring **10.70 acres of riparian buffer** by planting riparian buffers with native hardwood vegetation, stabilizing stream banks where necessary, and installing a shallow wetland marsh treatment area to intercept surface waters draining from horse stables prior to discharging into UT3.
3. Planting a native hardwood riparian buffer that is a minimum of 50 feet from the top of stream banks.
4. Protecting the Site in perpetuity with a conservation easement.

## 2.0 Site Selection

The Pepperwood Farm Riparian Buffer Mitigation Site (Site) is located approximately 1 mile northeast of Willow Springs and 4 miles northeast of Fuquay-Varina, in southern Wake County, North Carolina. (Figure 1, Vicinity map).

### 2.1 Directions to Site

- Via Raleigh, North Carolina:
- Travel South on Highway 401 for approximately 12 miles
- Take a left onto Air Park Road (gas station on corner)
- Travel approximately 0.6 miles, turn right on Dunallie Dr.
- Entrance to Pepperwood Farm is located at the end of Dunallie Dr.
- 35.617249°N, -78.715332°W (NAD83/WGS84)

### 2.2 Site Selection

Site selection was based on the conditions outlined in the NC EEP's RFP # 16-004362. The Site is located within the Middle Creek TLW (USGS HUC 03020201120010) of the Neuse River Basin and is designed specifically to assist in fulfilling NC EEP's riparian buffer restoration goals in accordance with the Neuse River Basin Nutrient Sensitive Waters Management Strategy (15A NCAC 02B .0233). If the proposed riparian buffer restoration does not occur, stream bed morphology will continue to degrade. If the riparian buffer restoration is not implemented, stream bank erosion and agricultural nutrient inputs will continue to affect the nutrient sensitive Neuse River.

### 2.3 Physiography, Geology, and Soils

The Site is located in the Northern Outer Piedmont ecoregion; regional physiography is characterized by dissected irregular plains, low rounded hills and ridges, with low to moderate gradient streams with mostly cobble, gravel, and sand substrate (Griffith et al. 2002). Onsite elevations range from a high of 290 feet National Geodetic Vertical Datum (NGVD) to a low of approximately 250 feet NGVD at the lowest point of the Site (USGS Angier, North Carolina 7.5-minute topographic quadrangle) (Figure 2, Watershed Map).

Six soil series occur within the Site according to the Wake County NRCS Web Soil Survey (NRCS 1970) and range from well drained Durham loamy sand to nearly flat, poorly drained, and hydric Wehadkee / Bibb. Soils are depicted on Figure 3, NRCS Soil Survey and are detailed in Table 1.

**Table 1: NRCS Soils Mapped within Site - Pepperwood Farm Riparian Buffer Mitigation Site**

Map Unit Symbol	Map Unit Name	Hydric Status	Family	Description
AfA	Altavista fine sandy loam	Non-hydric, may contain hydric inclusions (~5%)	Aquic Hapludults	The Altavista series consists of nearly level and gently sloping, deep, moderately well-drained, moderately permeable on low stream terraces. Slopes range from 0 and 4 percent.
AgC, ApC2, ApD,AsB, AsC	Appling gravelly sandy loam, sandy loam, and fine sandy loam	Nonhydric	Typic Hapludults	The Appling series consists of strongly sloping, deep, well- drained, moderately permeable soils on side slopes and on rounded divides. Slopes range from 2 to 10 percent.
Au	Augusta fine sandy loam	Non-hydric, may contain hydric inclusions (~2-5%)	Aeric Ochraquults	The Augusta series consists of nearly level and gently sloping, deep, somewhat poorly drained, moderately permeable soils on low steam terraces near larger strams. Slopes range from 0 and 4 percent.
Cn	Colfax sandy loam	Non-hydric, may contain hydric inclusions (~2%)	Aquic Fragiudults	The Colfax series consists of nearly level and gently sloping, somewhat poorly drained soils at the head of drainageways, on foot slopes, and in slight depressions. Slopes are generally between 0 and 6 percent. Depth to the seasonal high water table is at 36 inches.
DuB	Durham loamy sand	Nonhydric	Typic Hapludults	The Durham series consists of gently sloping to sloping, deep, well-drained, moderately permeable soils on rounded divides. Slopes are generally between 2 and 6 percent.
Wo	Wehadkee / Bibb	Hydric	Fluentic Haplaquepts and Typic Haplaquents	The Bibb and Wehadkee series consists of nearly level or gently sloping, poorly drained, moderately to moderately rapid permeable soils on the floodplains of streams and in depressions and draws. The seasonal high water table is at the surface.

#### 2.4 Water Quality

The Site is located within the Neuse River Basin’s 14-digit USGS Cataloging Unit and and NC EEP TLW 03020201120010 of the South Atlantic/Gulf Region ([NC DWR Subbasin Number 03-04-03) (Figure 2, Watershed Map). Terrible Creek has been assigned Stream Index Number 27-43-15-8-(2) and a Best Usage Classification of C, NSW (NC DWR 2009). These waters are suitable for all Class C uses including aquatic life propagation and survival, fishing, wildlife, secondary recreation, and agriculture. Secondary recreation includes wading, boating, and other uses not involving human body contact with waters on an organized or frequent basis. The designation NSW (Nutrient Sensitive Waters) includes areas with water quality problems associated with excessive plant growth resulting from nutrient enrichment. Local programs to control nonpoint sources and stormwater discharges of pollution are required.

NC DWR has assembled a list of impaired waterbodies according to the Clean Water Act Section 303(d) and 40 CFR 130.7, which is a comprehensive public accounting of all impaired waterbodies. An impaired waterbody is one that does not meet water quality standards including designated uses, numeric and narrative criteria, and anti-degradation requirements defined in 40 CFR 131. Terrible Creek and its tributaries are not listed on the NC DWR final 2010 303(d) list; however, Middle Creek (Stream Index Number 27-43-45(4) less than 1 mile downstream of the Site is listed in the final 2010 303(d) list for a

standard violation reducing aquatic life integrity as the result of increased zinc and turbidity levels (NC DWR 2010). Vegetation of Site streams, floodplains, and slopes will reduce sedimentation and pollution resulting from agricultural practices.

### 2.5 Existing Site Conditions

Onsite land use is characterized by a high density horse boarding facility, hay fields, and pasture land (Figure 4, Current Conditions). Each tributary is identified on the United States Department of Agriculture 1970 Soil Survey of Wake County, North Carolina (Figure 3, NRCS Soils Survey) and are hydrologically connected to Terrible Creek (Appendix A, NC DWR Stream Determination) . Before discharging, Site tributaries enter and flow through the Terrible Creek Riparian Buffer Restoration Project (NC EEP ID# 134). Site Streams are slightly incised and show active signs of degradation, specifically from high concentrated flows originating from offsite and lack of culvert maintenance.

On November 8<sup>th</sup>, 2012 and January 18, 2013 the NC Division of Water Resources (NC DWR) visited the Site and determined the features now labeled as UT 1-5 are viable for riparian buffer restoration (Appendix A).

### 2.6 Environmental & Cultural Constraints

The presence of conditions or characteristics that had the potential to hinder restoration activities on the Parcel was evaluated. The evaluation focused primarily on the presence of hazardous materials, utilities and restrictive easements, rare/threatened/endangered species or critical habitats, cultural resources, and the potential for hydrologic trespass. Existing information regarding constraints was acquired and reviewed. In addition, any parcel conditions that had the potential to restrict design and implementation were documented during the field investigation.

No evidence of natural and/or man-made conditions were identified which had the potential to impede proposed restoration activities. Correspondence with the State Historic Preservation Office (SHPO) concluded that there were no dwellings that fell under the ‘National Register of Historic Place,’ nor were there any documented archaeological sites found within the contact of the Parcel. Correspondence between RS and SHPO is provided in Appendix B. The proposed mitigation will have no impacts to any cultural resources.

### 2.7 Protected Species

Based on the most recently updated United States Fish and Wildlife Service (USFWS) online database (<http://www.fws.gov/raleigh/species/cntylist/wake.html> - August 14, 2013), three species are federally listed for Wake Count: red-cockaded woodpecker (*Picoides borealis*), Dwarf wedgemussel (*Alasmidonta heterodon*), and Michaux’s sumac (*Rhus michauxii*). Additionally, the bald eagle (*Haliaeetus leucocephalus*) is protected by the Bald and Golden Eagle Protection Act, Table 2 is a summary of this data. Habitat for two to these species is not present within the Site, and a detailed biological summary concerning the Schweinitz’s sunflower and Bald eagle area below.

**Table 2: Federally Protected Species for Wake County - Pepperwood Farm Riparian Buffer Mitigation Site**

Common Name	Scientific Name	Status*	Habitat Present	Biological Conclusion
Red-cockaded woodpecker	<i>Picoides borealis</i>	Endangered	No	No Effect
Dwarf wedgemussel	<i>Alasmidonta heterodon</i>	Endangered	No	No Effect
Michaux’s sumac	<i>Rhus michauxii</i>	Endangered	Yes	No Effect
Bald eagle	<i>Haliaeetus leucocephalus</i>	BGPA	Yes	No Effect

\*Endangered = a taxon “in danger of extinction throughout all or a significant portion of its range”; BGPA = protected by the bald and golden eagle protection act.

*Helianthus schweinitzii* (Schweinitz's sunflower) – Endangered

Schweinitz's sunflower is an erect, unbranched, rhizomatous, perennial herb that grows to approximately 6 feet in height. The stem may be purple, usually pubescent, but sometimes nearly smooth. Leaves are sessile, opposite on the lower stem but alternate above; in shape they are lanceolate and average 5 to 10 times as long as wide. The leaves are thick and stiff, with a few small serrations. The upper leaf surface is rough and the lower surface is usually pubescent with soft white hairs. Schweinitz's sunflower blooms from September to frost; the yellow flower heads are about 0.6 inches in diameter. The current range of this species is within 60 miles of Charlotte, North Carolina, occurring on upland interstream flats or gentle slopes, in soils that are thin or clay in texture. The species needs open areas protected from shade or excessive competition, reminiscent of Piedmont prairies. Disturbances such as fire maintenance or regular mowing help sustain preferred habitat (USFWS 1994).

**Biological Conclusion: NO EFFECT**

Riparian vegetation within the Site is regularly mowed and maintained as livestock pasture. As a result of continual maintenance, potential habitat exists within the Site for Schweinitz's sunflower. However, no individuals of Schweinitz's sunflower were identified during surveys completed during multiple sites visits in the fall of 2011. Therefore, this project will have no effect on Schweinitz's sunflower.

*Haliaeetus leucocephalus* (bald eagle) – BGPA

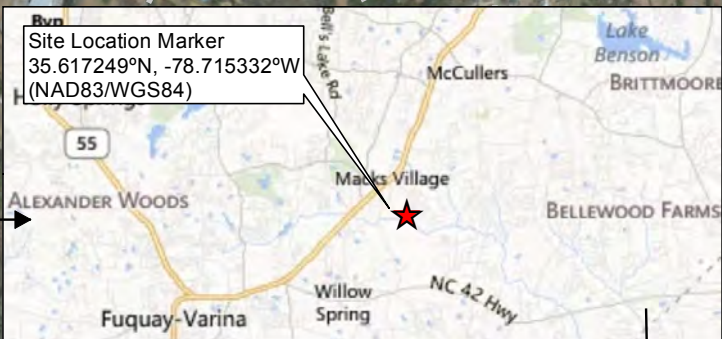
Adult bald eagles are identified by their large white head, short white tail, and dark-brown to chocolate-brown body plumage. Immature eagles lack the white head plumage and have brown to black body plumage. In flight bald eagles can be identified by their flat wing soar. Adults average about 3 feet from head to tail, weigh approximately 10-12 pounds, and have a wingspan that can reach up to 7 feet. Fish are the major food source for bald eagles although this species also consumes a variety of birds, mammals, and turtles when fish are not readily available.

Eagle nests are generally found in close proximity to water (within 0.5 mile) where the eagle has a clear flight path to the water. They generally nest in the largest living tree or snag with an open view of the surrounding land. Human disturbance may cause an eagle to abandon otherwise suitable habitat.

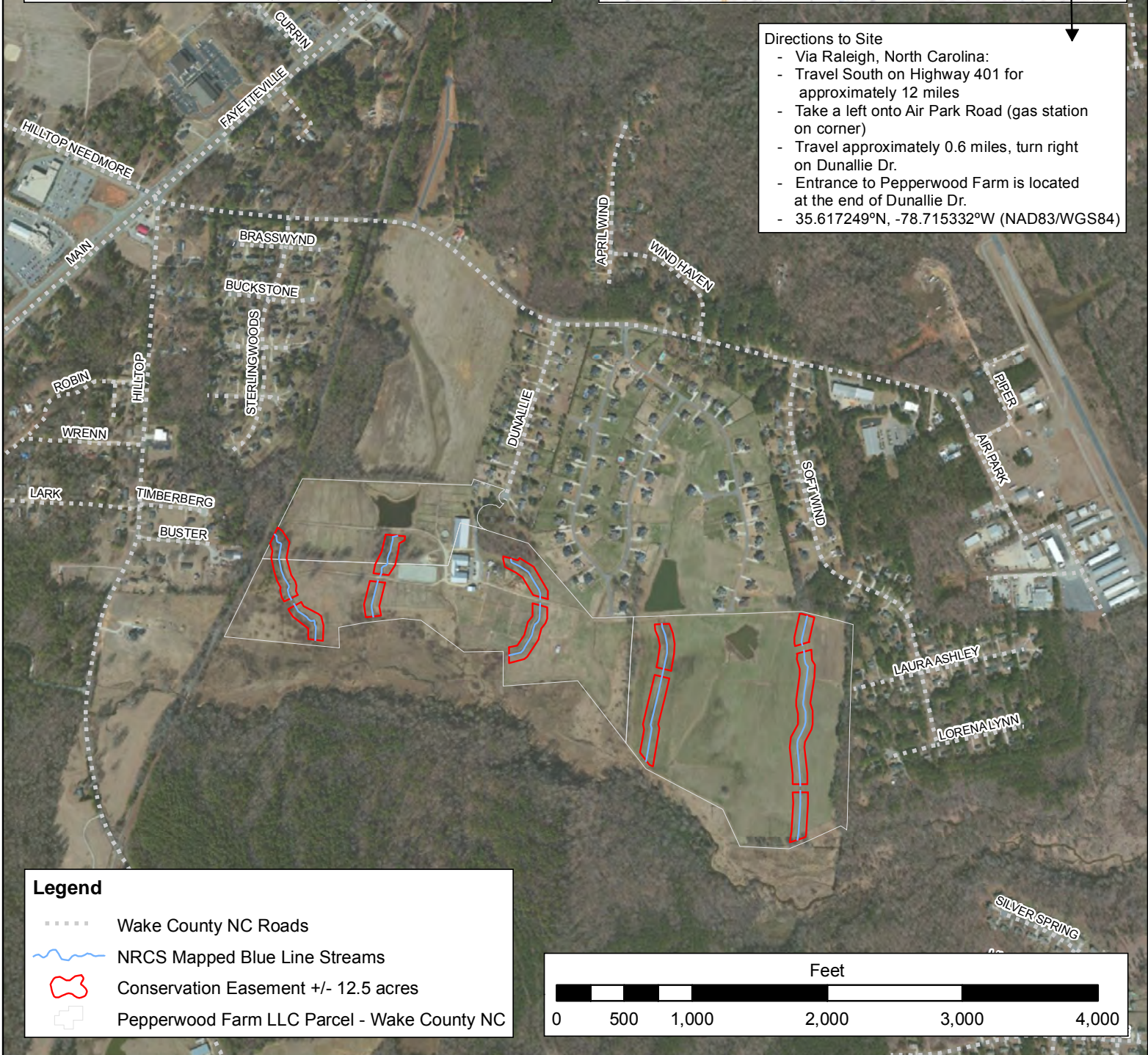
**Biological Conclusion: NO EFFECT**

Potential habitat for the bald eagle does not occur within the Site. The nearest open water which may serve as habitat for the bald eagle is approximately 0.75 mile downstream of the Site on Randleman Reservoir. The Site contains no large bodies of water, no suitable nesting trees are located within the Site, and no nests were observed within or immediately adjacent to the Site. The Site may serve as a fly over corridor for the bald eagle; however, the proposed project is expected to have no effect on the bald eagle.





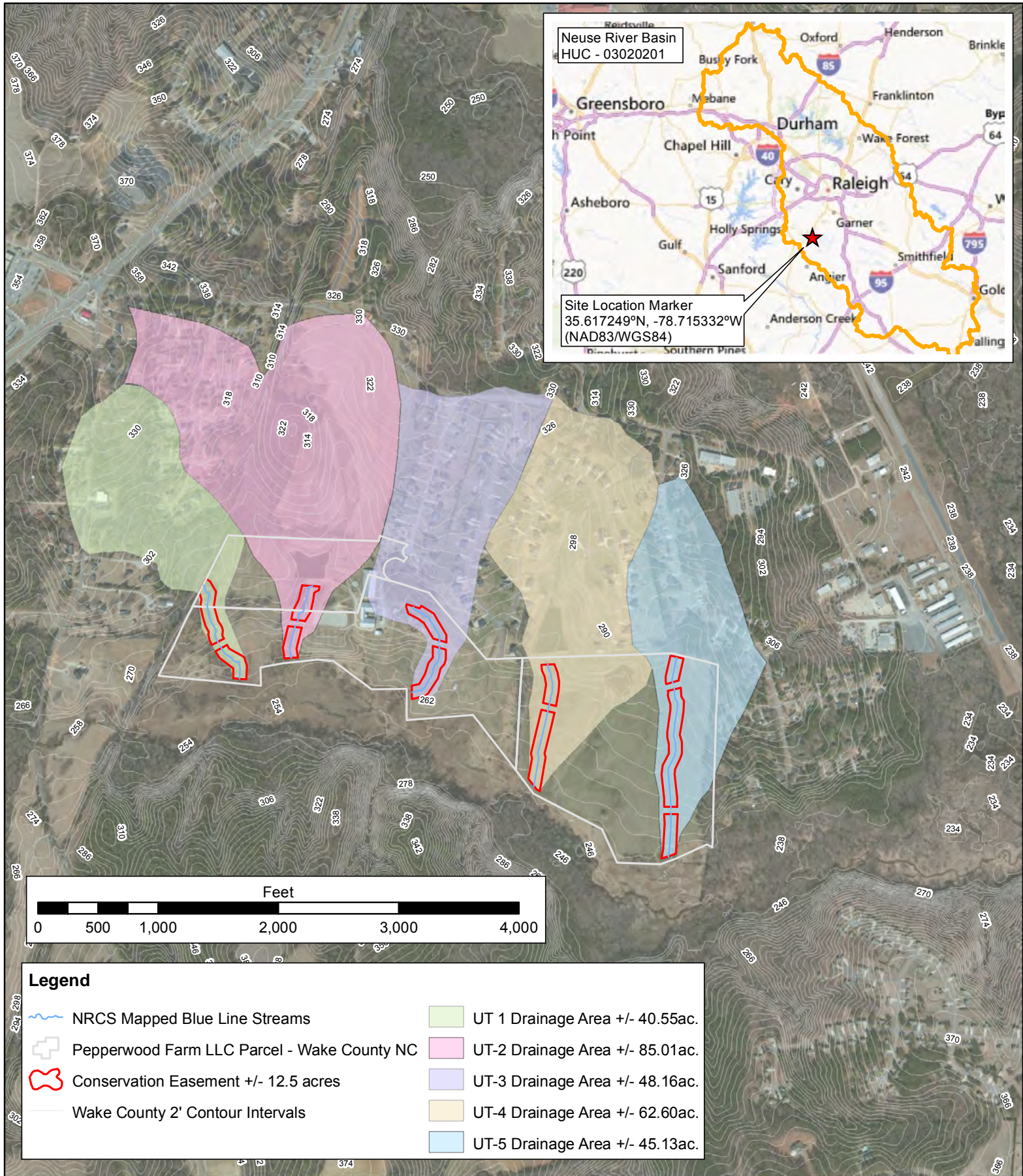
- Directions to Site
- Via Raleigh, North Carolina:
  - Travel South on Highway 401 for approximately 12 miles
  - Take a left onto Air Park Road (gas station on corner)
  - Travel approximately 0.6 miles, turn right on Dunallie Dr.
  - Entrance to Pepperwood Farm is located at the end of Dunallie Dr.
  - 35.617249°N, -78.715332°W (NAD83/WGS84)



<p><b>RESTORATION SYSTEMS, LLC</b> 1101 HAYNES ST, SUITE 211 RALEIGH, NC 27604 PHONE : 919.755.9490 FAX : 919.755.9492</p>	<p>SCALE: 1 inch = 1,042 feet</p>	<p><b>FIGURE 1: VICINITY MAP</b></p>	<p>Pepperwood Farm Riparian Buffer Mitigation Site RFP # 16-004362 EEP Project ID 95713 Contract # 004946 SPO # 92-AGZ Wake County, North Carolina</p>
	<p>DATE: NOV - 2013</p> <p>PROJECT: P-WOOD</p>		<p>Figure indicates where the Site physical location is along with directions to the Site</p>

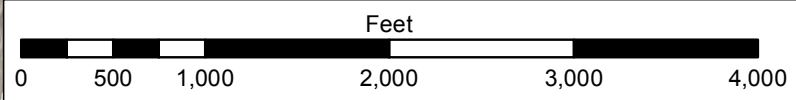
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Neuse River Basin  
HUC - 03020201

Site Location Marker  
35.617249°N, -78.715332°W  
(NAD83/WGS84)



Legend			
	NRCS Mapped Blue Line Streams		UT-1 Drainage Area +/- 40.55ac.
	Pepperwood Farm LLC Parcel - Wake County NC		UT-2 Drainage Area +/- 85.01ac.
	Conservation Easement +/- 12.5 acres		UT-3 Drainage Area +/- 48.16ac.
	Wake County 2' Contour Intervals		UT-4 Drainage Area +/- 62.60ac.
			UT-5 Drainage Area +/- 45.13ac.



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SCALE: 1 inch = 1,042 feet  
DATE: NOV - 2013  
PROJECT: P-WOOD



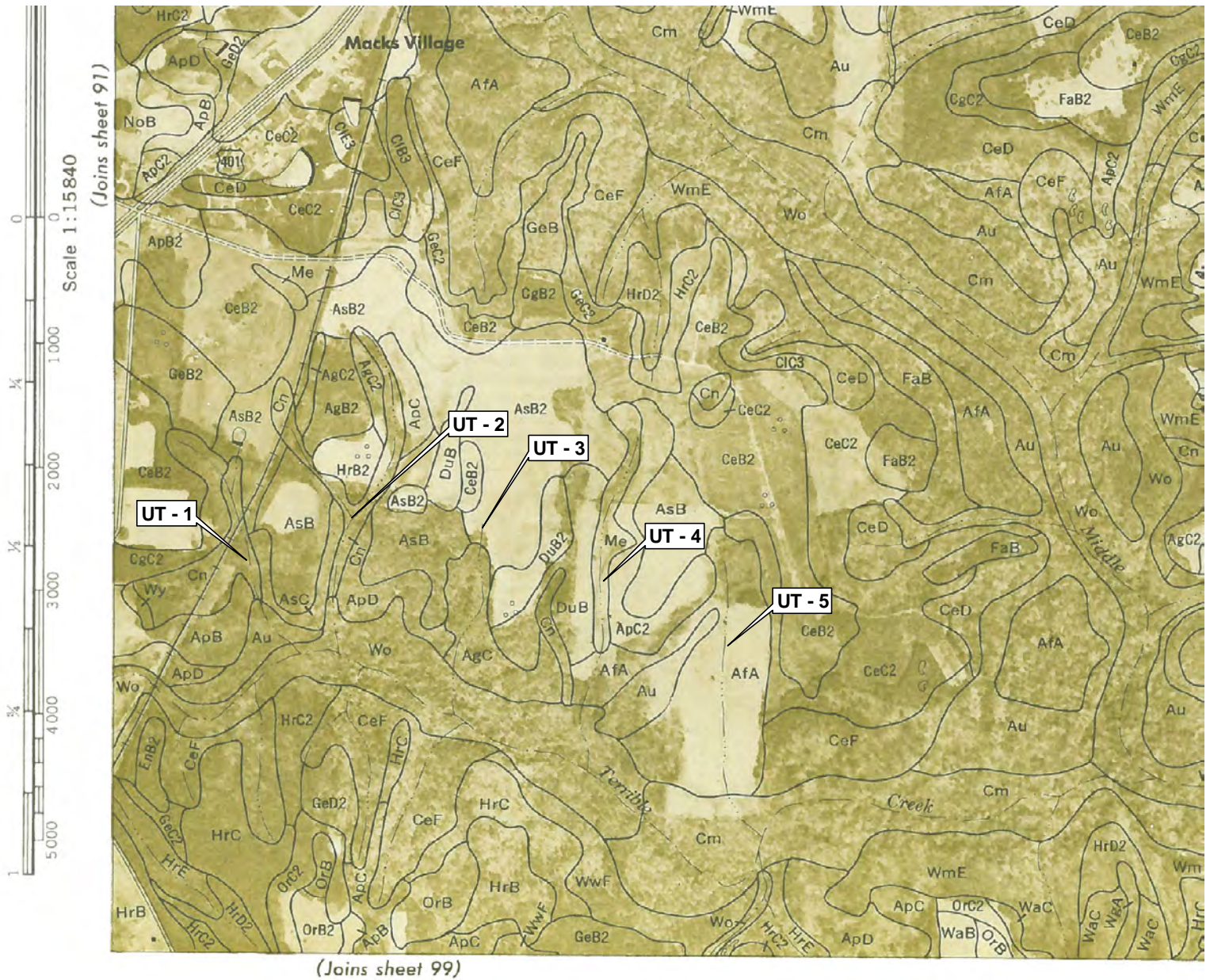
## FIGURE 2: WATERSHED MAP

Figure indicates estimated project drainage area at the outfall of each tributary.

**Pepperwood Farm Riparian Buffer Mitigation Site**  
RFP # 16-004362 EEP Project ID 95713  
Contract # 004946 SPO # 92-AGZ  
Wake County, North Carolina

Aerial Imagery: USGS Topographical Map  
COORDINATE SYSTEM: NAD 1983 NC FEET





1970 Wake County North Carolina NRCS Soil Manuscript - Map Number 92 - FIGURE NOT TO SCALE



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SCALE:  
 DATE: NOV - 2013  
 PROJECT: P-WOOD



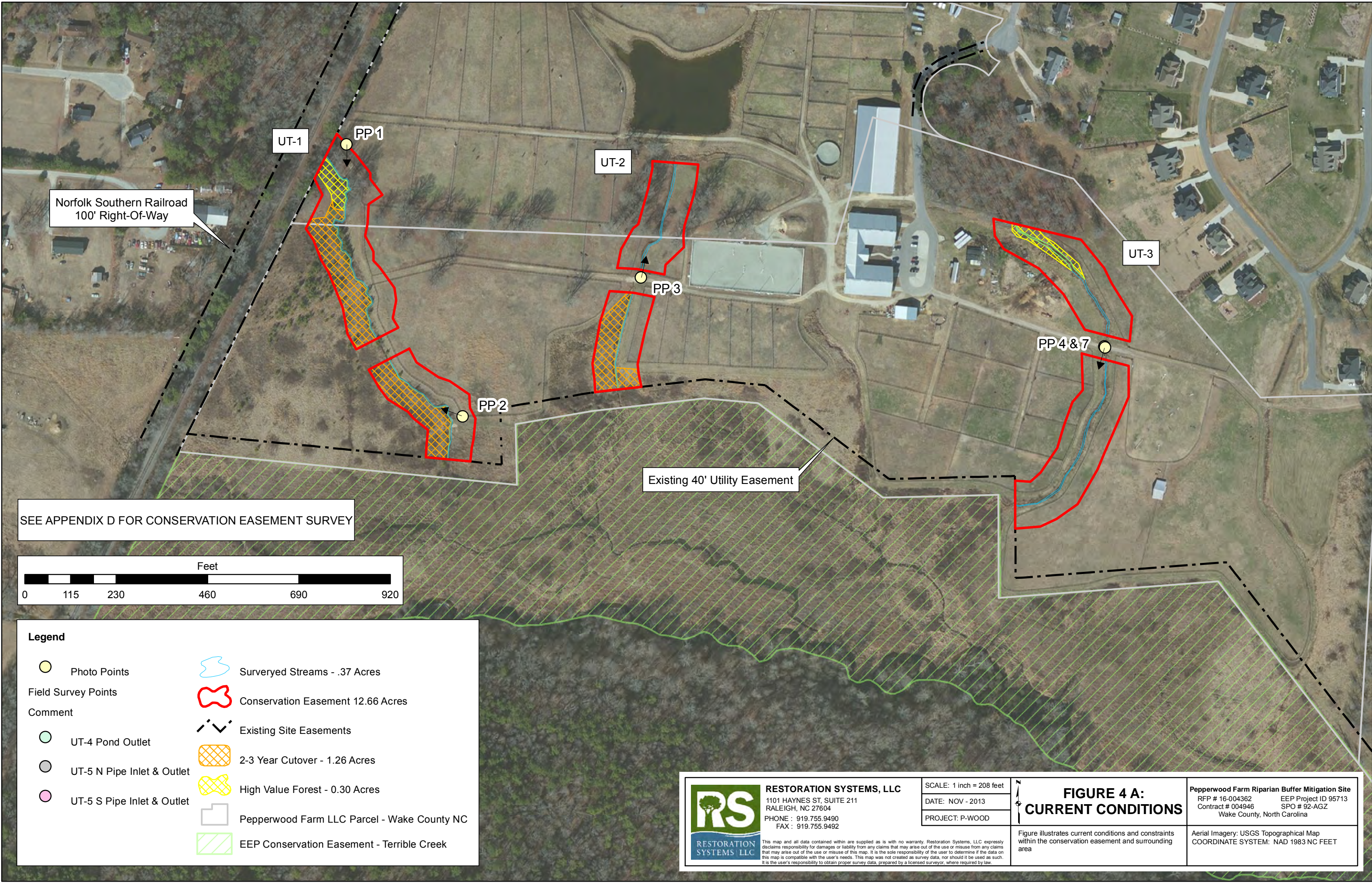
**FIGURE 3:  
 NRCS Soil Survey**

Figure indicates where the Site physical location is along with directions to the Site

**Pepperwood Farm Riparian Buffer Mitigation Site**  
 RFP # 16-004362 EEP Project ID 95713  
 Contract # 004946 SPO # 92-AGZ  
 Wake County, North Carolina

Aerial Imagery: USGS Topographical Map  
 COORDINATE SYSTEM: NAD 1983 NC FEET





Norfolk Southern Railroad  
100' Right-Of-Way

UT-1

PP1

UT-2

PP3

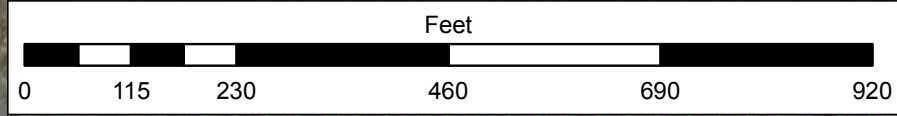
UT-3

PP 4 & 7

PP2

Existing 40' Utility Easement

SEE APPENDIX D FOR CONSERVATION EASEMENT SURVEY



Legend	
	Photo Points
	Surveyed Streams - .37 Acres
	Conservation Easement 12.66 Acres
	Existing Site Easements
	UT-4 Pond Outlet
	2-3 Year Cutover - 1.26 Acres
	High Value Forest - 0.30 Acres
	Pepperwood Farm LLC Parcel - Wake County NC
	EEP Conservation Easement - Terrible Creek
	UT-5 N Pipe Inlet & Outlet
	UT-5 S Pipe Inlet & Outlet

<p><b>RESTORATION SYSTEMS, LLC</b> 1101 HAYNES ST, SUITE 211 RALEIGH, NC 27604 PHONE : 919.755.9490 FAX : 919.755.9492</p>	<p>SCALE: 1 inch = 208 feet</p>	<p><b>FIGURE 4 A: CURRENT CONDITIONS</b></p>	<p>Pepperwood Farm Riparian Buffer Mitigation Site RFP # 16-004362      EEP Project ID 95713 Contract # 004946      SPO # 92-AGZ Wake County, North Carolina</p>	
	<p>DATE: NOV - 2013</p>			<p>Figure illustrates current conditions and constraints within the conservation easement and surrounding area</p>
	<p>PROJECT: P-WOOD</p>			

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**Legend**

Photo Points	Surveyed Streams - .37 Acres
Field Survey Points	Conservation Easement Polygon
Comment	Existing Site Easements
UT-2 Pond Outlet	2-3 Year Cutover - 1.26 Acres
UT-4 Pond Outlet	High Value Forest - 0.30 Acres
UT-5 N Pipe Inlet & Outlet	Pepperwood Farm LLC Parcel - Wake County NC
UT-5 S Pipe Inlet & Outlet	EEP Conservation Easement - Terrible Creek

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 RALEIGH, NC 27604  
 PHONE : 919.755.9490  
 FAX : 919.755.9492

This map and all data contained within are supplied as is with no warranty. Restoration Systems, LLC expressly disclaims responsibility for damages or liability from any claims that may arise out of the use or misuse of any claims that may arise out of the use or misuse of this map. It is the sole responsibility of the user to determine if the data on this map is compatible with the user's needs. This map was not created as survey data, nor should it be used as such. It is the user's responsibility to obtain proper survey data, prepared by a licensed surveyor, where required by law.

SCALE: 1 inch = 208 feet  
 DATE: NOV - 2013  
 PROJECT: P-WOOD

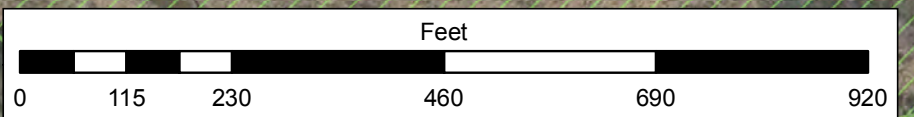
**FIGURE 4 B:  
 CURRENT CONDITIONS**

Figure illustrates current conditions and constraints within the conservation easement and surrounding area

Pepperwood Farm Riparian Buffer Mitigation Site  
 RFP # 16-004362 EEP Project ID 95713  
 Contract # 004946 SPO # 92-AGZ  
 Wake County, North Carolina

Aerial Imagery: USGS Topographical Map  
 COORDINATE SYSTEM: NAD 1983 NC FEET

SEE APPENDIX D FOR CONSERVATION EASEMENT SURVEY





2.13 – Site Photographs



**Photo Point 1 – Facing South**



**Photo Point 2 – Facing Northwest**





**Photo Point 3 – Facing North**



**Photo Point 4 - Facing South**





**Photo Point 5 – Facing North**



**Photo Point 6 - Facing South**





**Photo Point 7**



**Photo Point 8**

### 3.0 Site Protection Instrument

The land required for the construction, management, and stewardship of this mitigation project includes the following parcels.

**Table 3. Site Parcel Information - Pepperwood Farm Riparian Buffer Mitigation Site**

	<b>Landowner</b>	<b>PIN</b>	<b>County</b>	<b>Site Protection Instrument</b>	<b>Deed Book and Page Number</b>	<b>Acreage protected</b>
Tract '2-A'	Pepperwood Farms, LLC	0688400183	Wake	Conservation Easement	Bk : 015513 Pg : 00130	1.05
Tract '2-B'	Pepperwood Farms, LLC	0687492542	Wake	Conservation Easement	Bk : 015513 Pg : 00142	5.03
Tract '2-C'	Pepperwood Farms, LLC	0687685542	Wake	Conservation Easement	Bk : 015513 Pg : 00157	6.58

Recorded documentation is provided as Appendix C.

All site protection instruments require 60-day advance notification to the State prior to any action to void, amend, or modify the document. No such action shall take place unless approved by the State.



#### 4.0 Baseline Conditions

**Table 4: Baseline Project Information - Pepperwood Farm Riparian Buffer Mitigation Site**

Project Information			
Project Name		Pepperwood Farm	
County		Wake	
Project Area (acres)		12.66	
Project Coordinates (latitude and longitude)		35.617249°N, -78.715332°W (NAD83/WGS84)	
Project Watershed Summary Information			
Physiographic Province		Northern Outer Piedmont	
River Basin		Neuse	
USGS Hydrologic Unit 8-digit	3020201	USGS Hydrologic Unit 14-digit	3020201120010
DWR Sub-basin		3/4/2003	
Project Drainage Area, Total Outfall (acres)		285.45	
Project Drainage Area Percentage of Impervious Area		> 5%	
Regulatory Considerations			
Regulation	Applicable?	Resolved?	Supporting Documentation
Waters of the United States – Section 404	No		
Waters of the United States – Section 401	No		
Endangered Species Act	No		
Historic Preservation Act	No		
Coastal Zone Management Act [CZMA/Coastal Area Management Act (CAMA)]	No		
FEMA Floodplain Compliance	No		
Essential Fisheries Habitat	No		

## 5.0 Mitigation Credits

### 5.1 Credit Determination

Mitigation credits presented in these tables are projections based upon Site design. Upon completion of Site construction the project components and credits data will be revised to be consistent with the as-built condition. Credit determination was calculated by measuring landward 50 feet of all streams as measured horizontally on a line perpendicular to the surface water. All riparian areas outside of the high value forested areas qualify for riparian buffer restoration as defined in the NC EEP RFP# 16-004362 resulting in a 1:1 credit ratio. Table 5 below and Plan Sheet E, of Appendix D summarize the Sites credit generation.

**Table 5: Credit Determination - Pepperwood Farm Riparian Buffer Mitigation Site**

Mitigation Credits				
Neuse Riparian Buffer				
Existing Acreage	Restoration/Mit. Ratio	Restoration Acreage	Mitigation / Acre	Comment
.30	n/a	n/a	n/a	High Value Forest Area – excluded from credit determination
10.70	Restoration (1:1)	10.70	43,560 sq. ft. / acre	Cessation of current land use practices, removing invasive species, and planting with native forest vegetation.
Component Summation				
Restoration Level		Neuse Riparian Buffer Credits (sq. ft.)		
Restoration		10.70 acres = 466,092 sq. ft.		
<b>Totals</b>		10.70 acres = 466,092 sq. ft.		

### 5.2 Credit Release Schedule

All credit releases will be based on the total credit generated as reported by the as-built survey of the mitigation site. Under no circumstances shall any mitigation project be debited until the necessary authorization has been received for its construction. The NC Division of Water Resources (NC DWR) will determine if performance standards have been satisfied sufficiently to meet the requirements of the release schedules below. In cases where some performance standards have not been met, credits may still be released depending on the specifics of the case. Monitoring may be required to restart or be extended, depending on the extent to which the site fails to meet the specified performance standard. The release of project credits will be subject to the criteria described as follows:

**Table 6: Credit Release Schedule - Pepperwood Farm Riparian Buffer Mitigation Site**

Riparian Buffer			
Monitoring Year	Credit Release Activity	Interim Release	Total Released
0	Initial Allocation – see requirements below	30%	30%
1	First year monitoring report demonstrates performance standards are being met	10%	40%
2	Second year monitoring report demonstrates performance standards are being met	15%	55%
3	Third year monitoring report demonstrates performance standards are being met	20%	75%
4	Fourth year monitoring report demonstrates performance standards are being met	10%	85%
5	fifth year monitoring report demonstrates performance standards are being met and project has received closeout approval	15%	100%

### Initial Allocation of Released Credits

The initial allocation of released credits, as specified in the mitigation plan can be released by the NCEEP without prior written approval of the NC DWR upon satisfactory completion of the following activities:

- a. Approval of the final Mitigation Plan
- b. Recordation of the preservation mechanism, as well as a title opinion acceptable to the NCEEP covering the property
- c. Completion of project construction (the initial physical and biological improvements to the mitigation site) pursuant to the mitigation plan; Per the NCEEP Instrument, construction means that a mitigation site has been constructed in its entirety, to include planting, and an as-built report has been produced. As-built reports must be sealed by an engineer prior to project closeout, if appropriate but not prior to the initial allocation of released credits.
- d. Receipt of necessary permit authorization or written approval for projects where permit issuance is not required.

### Subsequent Credit Releases

All subsequent credit releases must be approved by the NC DWR, based on a determination that required performance standards have been achieved. As projects approach milestones associated with credit release, the NCEEP will submit a request for credit release to the NC DWR along with documentation substantiating achievement of criteria required for release to occur. This documentation will be included annual monitoring reports.

## **6.0 Mitigation Work Plan**

This Mitigation Plan is designed in accordance with the conditions of EEP RFP # 16-004362 and the Neuse River Basin: Nutrient Sensitive Waters Management Strategy (15A NCAC 2B .0233).

### Targeted Stream Type:

Streams targeted for riparian buffer restoration include five unnamed tributaries to Terrible Creek which are depicted on the 1970 USDA Soil Survey of Wake County, North Carolina. Current Site conditions have resulted in degraded water quality, a loss of aquatic habitat, reduced nutrient and sediment retention, and a lack of deep-rooted riparian vegetation. Characteristics of Site streams are summarized in Table 7 below; each feature is also depicted on Figure 3, NRCS Soil Survey. NC DWR Stream Identification forms are included in Appendix A.

**Table 7. Existing Stream Characteristics - Pepperwood Farm Riparian Buffer Mitigation Site**

<b>Stream Reach</b>	<b>Drainage Basin (Acres)</b>	<b>NC DWR Stream Identification Form Score</b>	<b>Status</b>	<b><sup>2</sup>Depicted on Wake County NRCS Soils Survey?</b>
UT-1	40.55	38.75	perennial	Yes
UT-2	85.01	32.5	perennial	Yes
UT-3	48.16	37.0	perennial	Yes
UT-4	62.60	30.75	perennial	Yes
UT-5	45.13	<sup>1</sup> not available	<sup>1</sup> not available	Yes

<sup>1</sup>On January 18<sup>th</sup> of 2013 UT-5 was evaluated for applicability to the Neuse River Basin: Nutrient Sensitive Waters Management Strategy (15A NCAC 2B .0233) by NC DWR Personnel. A stream identification form was not executed; written correspondence can be found in Appendix A.

<sup>2</sup> United States Department of Agriculture (USDA). 1970. Soil Survey of Wake County, North Carolina

### Targeted Forest Type:

According to Mitigation Site Classification (MiST) guidelines (USEPA 1990), Reference Forest Ecosystems (RFEs) must be established for Mitigation sites. RFEs are forested areas on which to model restoration efforts at the Site in relation to soils, hydrology, and vegetation. RFEs should be ecologically stable climax communities and should represent believed historical (pre-disturbance) conditions at the

Site. Data describing plant community composition and structure are collected at the RFEs and subsequently applied as reference data for design of the Site.

The RFE for this project is located south of Terrible Creek near the railroad tracks. The RFE supports plant community and landform characteristics that restoration efforts will attempt to emulate. Two circular, 0.1-acre plots were randomly established within the reference area. Data collected within each plot include 1) tree species composition, 2) number of stems have a diameter at breast height (DBH) greater than 5 inches.

**Table 8. Reference Forest Ecosystem - Pepperwood Farm Riparian Buffer Mitigation Site**

Tree Species	Number of Individuals	Frequency (%)
Red maple ( <i>Acer rubrum</i> )	3	50
River birch ( <i>Betula nigra</i> )	5	100
Ironwood ( <i>Carpinus caroliniana</i> )	10	100
Green ash ( <i>Fraxinus pennsylvanica</i> )	16	100
Cherrybark oak ( <i>Quercus pagoda</i> )	6	100
Winged elm ( <i>Ulmus alata</i> )	5	50
American elm ( <i>Ulmus americana</i> )	1	50
<b>Total</b>	<b>46</b>	

Site Preparation:

Areas of the Site subject to dense herbaceous growth and juvenile hardwood vegetation will be bush hogged and treated with a pre-emergent herbicide. Areas of dense fescue will be treated with a Poaceae (grass genus) specific herbicide (Plan Sheet B, Appendix D). All herbicide applications will be conducted by a licensed NC Department of Agriculture & Consumer Services Ground Pesticide Applicator. All herbicides will be approved for forested and wetland areas depending on the location of treatment.

Fencing and Easement Marking:

Horse pastures bordering restored riparian areas will be fenced using materials consistent with those currently on site; 6' wood post and rail (see photo 3 of section 2.11 – Site Photographs). Fencing will be installed and incorporated into existing pasture fencing (Plan Sheet B, Appendix D). A detailed fencing survey will be conducted and included within the as-built report. An additional five (5) linear feet was added to the conservation easement beyond the credit generation area to allow for vegetation control and fence maintenance. This area accounts for approximately 1.29 acres of the 12.66 acre conservation easement (Plan Sheet C, Appendix D). Restored riparian areas that are not adjacent to horse pastures will be clearly marked as stipulated in the NC EEP RFP #16-004362.

Stream Bank Stabilization & Piped Channel Crossings:

Stream bank stabilization is proposed for minor bank erosion; primarily along reaches of UT-1 and UT-5 (Plan Sheet B, Appendix D). All stream stabilization work will occur above the mean high water line and will entail sloping banks, installing erosion control matting and planting of livestakes where necessary. Stream bank stabilization measures will reduce shear stress and sedimentation, improve water quality functions, and improve aquatic and wildlife habitat associated with a stable riparian corridor/stream.

Site constraints will necessitate the replacement and installation of piped channel crossings within easement breaks to allow for access to portions of the property isolated by riparian buffer restoration activities (Plan Sheet C, Appendix D). Crossings will be constructed using 16 foot corrugated pipe (18 to

24 inches in diameter) with approach grades at an approximate 10:1 slope constructed of hard, scour-resistant crushed rock free of fines. All crossings will be installed perpendicular to the channel and will be installed in a way to not remove any Best Usage criteria such as aquatic life passage. The table below summarizes the location and activities associated with stream bank stabilization and channel crossings.

Activity and Location	Description of Activity	Linear Impact
Bank Stabilization along UT-1 & UT-5	All stream stabilization work will occur above the mean high water line and will entail sloping banks, installing erosion control matting and planting of livestakes where necessary.	Less than 20 feet
Piped Crossing UT-1	1 – 16’ section of corrugated pipe to be installed	20 feet
Piped Crossing UT-2	1 – 16’ section of corrugated pipe to be installed	20
Replace Piped Crossing UT-3	1 section of degraded agricultural pipe to be removed; 1 – 16’ section of corrugated pipe to be installed	n/a – replacement of existing crossing
Piped Crossing UT-4	1 – 16’ section of corrugated pipe to be installed	20
Replace Piped Crossing UT-5	2 sections of degraded agricultural pipe will be removed; 2 – 16’ section of corrugated pipe to be installed	n/a – replacement of existing crossing
Total		Less than 60 linear feet

In field discussions with Martin Richmond of the DWR during our January 18, 2013 Site visit and phone conversations with James Lastinger of the USACE Raleigh Field Office confirmed that the activities listed above would not require 401 and 404 consultation. This is because restoration activities will result in less than a 1/10 of an acre and/or 150 linear feet of impacts to regulated waters.

Marsh Wetland Treatment Areas:

A shallow marsh wetland treatment area will be excavated adjacent to UT-3 just inside the easement boundary and will intercept surface water draining through agricultural areas prior to discharging into the Site (Plan Sheet C, Appendix A). The proposed marsh treatment area will consist of a shallow depression in the landscape that will provide treatment and attenuation of initial stormwater pulses. The treatment area outfall will be set by placing a log weir, buried at each end and stabilized by core matting to protect against headcut migration within the constructed depression. It is expected that the treatment area will fill with sediment and organic matter over time. This area will be planted with hardwood vegetation and will generate riparian buffer mitigation credit.

Vegetation Planting:

Restoration of floodplain forest and stream-side habitat allows for development and expansion of characteristic species across the landscape. Ecotonal changes between community types contribute to diversity and provide secondary benefits, such as enhanced feeding and nesting opportunities for mammals, birds, amphibians, and other wildlife.

RFE data, onsite observations, and referenced Classification of the Natural Communities of North Carolina (Schafale and Weakley 1990) were used to compose a Site specific Piedmont/Low Mountain Alluvial Forest community type. Stream-side trees and shrubs include species with high value for

sediment stabilization, rapid growth rate, and the ability to withstand hydraulic forces associated with bankfull flow and overbank flood events. Stream-side trees and shrubs will be planted within 15 feet of the channel throughout the meander belt-width. Stream-side elements will be planted along stabilized stream banks and concentrated along outer bends. Vegetating the Site's floodplains and stream banks will provide stream bank stability, give shade, reduce surface water temperatures, filter pollutants from adjacent runoff, and provide habitat for area wildlife.

A total of 11,200 deep-rooting, bare root saplings will be planted over 10.70 acres (Plan Sheet D, Appendix D). Planting will be frequency of approximately 8 ft. squared and 1,046 stems per acre. Table 10 on the next page outlines the proposed planting community and density.

**Table 10: Planting Plan - Pepperwood Farm Riparian Buffer Mitigation Site**

Vegetation Association: Piedmont/Low Mountain Alluvial Forest				
Area (Acres) Total = 10.70 acres	2.0		8.7	
Vegetation Association:	Streamside Assemblage		Piedmont/Low Mountain Alluvial Forest	
Species	Number Planted	% of Total	Number Planted	% of Total
River birch ( <i>Betula nigra</i> )	400	33.33%		
American Sycamore ( <i>Platanus occidentalis</i> )	400	33.33%		
Willow oak ( <i>Quercus phellos</i> )	400	33.33%		
Tulip poplar ( <i>Liriodendron tulipifera</i> )			200	2.00%
American hornbeam ( <i>Carpinus caroliniana</i> )			250	2.50%
Shagbark hickory ( <i>Carya ovate</i> )			300	3.00%
Southern Hackberry ( <i>Celtis laevigata</i> )			350	3.50%
Green Ash ( <i>Fraxinus pennsylvanica</i> )			400	4.00%
American elm ( <i>Ulmus americana</i> )			400	4.00%
Eastern black oak ( <i>Quercus velutina</i> )			1200	12.00%
Flowering Dogwood ( <i>Cornus florida</i> )			1300	13.00%
Northern red oak ( <i>Quercus rubra</i> )			1400	14.00%
Southern red oak ( <i>Quercus falcata</i> )			1400	14.00%
White oak ( <i>Quercus alba</i> )			1400	14.00%
Black tupelo ( <i>Nyssa sylvatica</i> var. <i>sylvatica</i> )			1400	14.00%
<b>Total</b>	<b>1,200</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>

Nuisance Species Management:

Monitoring of Beaver and other potential nuisance species will occur over the 5-year monitoring period. Appropriate actions will be taken to ameliorate any negative impacts regarding vegetation and/or water quality will be taken on an as-needed basis.

## 7.0 Maintenance Plan

RS shall monitor the site on a regular basis and shall conduct a physical inspection of the site a minimum of once per year throughout the post-construction monitoring period until performance standards are met. These site inspections may identify site components and features that require routine maintenance. Routine maintenance should be expected most often in the first two years following site construction and may include the following:

**Table 11. Site Maintenance Plan - Pepperwood Farm Riparian Buffer Mitigation Site**

Component/Feature	Maintenance through project close-out
Vegetation	Vegetation shall be maintained to ensure the health and vigor of the targeted plant community. Routine vegetation maintenance and repair activities may include supplemental planting, pruning, mulching, and fertilizing. Exotic invasive plant species shall be controlled by mechanical (i.e. chainsaw) and/or chemical (i.e. basal bark herbicide application) methods. Any vegetation control requiring herbicide application & soil fertilization will be performed in accordance with NC Department of Agriculture (NCDA) rules and regulations & 15A NCAC 02B .0233.
Site Boundary	Site boundaries shall be identified in the field to ensure clear distinction between the mitigation site and adjacent properties. Boundaries may be identified by fence, marker, bollard, post, tree-blazing, or other means as allowed by site conditions and/or conservation easement. Boundary markers disturbed, damaged, or destroyed will be repaired and/or replaced on an as needed basis.

## 8.0 Performance Standards

Monitoring of Site restoration efforts will be performed for five years or until success criteria are fulfilled. Monitoring is proposed for vegetated riparian buffers at the Site. Photo points established to document existing conditions will be carried through and included in the annual monitoring reports (Section 2.11 - Site Photographs).

### Vegetation Monitoring

After planting has been completed in winter or early spring, an initial evaluation will be performed to verify planting methods and to determine initial species composition and density. Supplemental planting and additional Site modifications will be implemented, if necessary.

Based on Level 2 *CVS-EEP Protocol for Recording Vegetation, Version 4.0* (Lee et al. 2006), 2.5% of the buffer mitigation area will be sampled. Thus, the 10.70 acre mitigation area will be monitored by 11 sample plots measuring 10-meter by 10-meter. These plots will be installed per CVS guidelines. In each sample plot, monitoring parameters will include species composition and density. Visual observations of the percent cover of shrub and herbaceous species will be documented by photograph.

### Vegetation Success Criteria

Success criteria have been established to verify that the vegetation component supports community elements necessary for forest development. Success criteria are dependent upon the density and growth of characteristic forest species. Additional success criteria are dependent upon the density and growth of “Characteristic Tree Species.” Characteristic Tree Species include planted species, species identified through visual inventory of an approved reference (relatively undisturbed) forest community, and species outlined in Schafale and Weakley (1990).

An average density of 320 planted hardwood stems per acre must be surviving after five monitoring years.

### Vegetation Contingency

If vegetation success criteria are not achieved based on average density calculations from combined plots over the entire restoration area, supplemental planting may be performed with tree species approved by regulatory agencies. Supplemental planting may be performed as needed until achievement of vegetation success criteria.

## 9.0 Monitoring Requirements

Annual monitoring data will be reported using the NC EEP monitoring template. The monitoring report shall provide a project data chronology that will facilitate an understanding of project status and trends, population of NC EEP databases for analysis, research purposes, and assist in decision making regarding project close-out.

**Table 12. Site Monitoring Requirements - Pepperwood Farm Riparian Buffer Mitigation Site**

<u>Required</u>	<u>Parameter</u>	<u>Quantity</u>	<u>Frequency</u>	<u>Notes</u>
Yes	Vegetation	As per NC DENR – EEP Guidelines for Riparian Buffer Restoration, October 2004	annual	Vegetation will be monitored using the Carolina Vegetation Survey (CVS) protocols for a period of five years or until success criteria are met
Yes	Exotic and nuisance vegetation		annual	Location of exotic and nuisance vegetation will be mapped
Yes	Project boundary		Semi-annual	Locations of fence damage, vegetation damage, boundary encroachments, etc. will be mapped

## 10.0 Long-Term Management Plan

Upon approval for close-out by the NC DWR, the Site will be transferred to a third party for long term management as described in the EEP’s in lieu free instrument.

## 11.0 Adaptive Management Plan

Upon completion of site construction RS will implement the post-construction monitoring protocols previously defined in this document. Project maintenance will be performed as described previously in this document. If, during the course of annual monitoring it is determined the site’s ability to achieve site performance standards are jeopardized, RS will notify the NC EEP of the need to develop a Plan of Corrective Action. The Plan of Corrective Action may be prepared using in-house technical staff or may require engineering and consulting services. Once the Corrective Action Plan is prepared and finalized RS will:

1. Notify the NC EEP
2. Revise performance standards, maintenance requirements, and monitoring requirements as necessary and/or required by the NC DWR / NC EEP.
3. Obtain other permits as necessary.
4. Implement the Corrective Action Plan.
5. Provide the NC EEP a Record Drawing of Corrective Actions. This document shall depict the extent and nature of the work performed.



## **12.0 Financial Assurances**

As required by RFP # 16-004362 RS will provide a performance bond for 55% of the total value of the contract to be submitted with this document. This bond will remain in effect until the successful completion of Task 5. See Appendix E.

## **APPENDIX A**

- NC DENR DWR Stream Determination Summary
- NC DENR DWR Site Viability Letter: November 28<sup>th</sup>, 2012
- NC DENR DWR Surface Determination Letter: November 26<sup>th</sup>, 2012
- NC DENR DWR Surface Determination Letter: November 26<sup>th</sup>, 2012 – REVISED 2-08-2013

**Inter-agency Site Visit:**

Pepperwood Farm Riparian Buffer Mitigation Site

Contract# 004946, EEP Project ID: 95713, RFP: 16-004362

An initial Site visit was conducted on November 8<sup>th</sup> of 2012. Representatives from the North Carolina Division of Water Quality (DWQ) included Katie Merritt and Martin Richmond. Other attendees were Raymond Holz of Restoration Systems, Grant Lewis of Axiom Environmental and with Jessica Kemp of the North Carolina Ecosystem Enhancement Program. A number of the initially proposed features were ruled not subject to the NC Riparian Buffer Mitigation Rules (15A NCAC 2B .0233). The meeting is described in detail in the attached e-mail from Karen Higgins of the DWQ Wetlands, Buffers, Stormwater Compliance and Permitting Unit dated November 28<sup>th</sup>, 2012. Also included is a surface water determination letter (NBRRO#12-217) provided by Martin Richmond.

As a result Restoration Systems requested an additional Site visit to evaluate an additional feature which was not evaluated during the November 2012 Site visit. On January 18<sup>th</sup> of 2013 Martin Richmond of the DWQ and Guy Pearce of the EEP evaluated the additional feature (#8) and also reassessed Feature 2B. Both were deemed subject to the Neuse River Riparian Buffer mitigation Rules. Martin Richmond provided a revised surface water determination letter which is included.

No other issues were of concern.



North Carolina Department of Environment and Natural Resources

Division of Water Quality  
Charles Wakild, P.E.  
Director

Beverly Eaves Perdue  
Governor

Dee Freeman  
Secretary

November 28, 2012

Ms. Jessica Kemp  
N.C. Ecosystem Enhancement Program  
1652 Mail Service Center  
Raleigh, NC 27699-1652

Re: Site Viability for Mitigation - Pepperwood Farm RFP  
Wake County

Dear Ms. Kemp,

Martin Richmond and Katie Merritt from the Division of Water Quality (DWQ) were asked by NCEEP to visit the above-referenced site on November 8, 2012. The subject site is an RFP with an awarded contract between NCEEP and Restoration Systems. The focus of our review was to determine the site's potential for nutrient offset and Neuse riparian buffer mitigation for the purpose of generating mitigation credits. Mr. Richmond performed a stream buffer determination (NBRRO #12-217) and has submitted a letter to NCEEP showing all streams onsite that are subject to the Neuse River Buffer Rules. If approved, mitigating this site could provide both Neuse riparian buffer credits and nutrient offset credits within the 8-digit Hydrologic Unit Code (HUC) 03020201 of the Neuse River Basin. However, nutrient offset credits generated at this site cannot be used toward offsetting impacts in the Falls Lake Watershed.

The site appeared to be a good candidate for planting Neuse riparian buffers (0-50 feet from the top of bank) for riparian buffer credits or nutrient offset credits. Additionally, there were other riparian areas (0-200 feet from top of bank) that were good candidates for nutrient offset only. A map detailing the features and their respective mitigation options is attached.

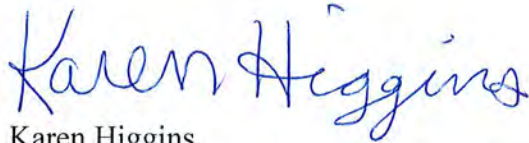
A mitigation plan must be provided to Ms. Merritt detailing the riparian buffer and nutrient offset restoration for review and approval prior to initiating the project. Once the project is complete, an as-built report must be provided to Ms. Merritt for review and approval showing the total Neuse riparian buffer credits and nutrient offset credits that were generated through the restoration efforts. Please provide riparian buffer credits generated in both acres and square feet. Please provide nutrient offset credits generated in both acres and pounds. Monitoring reports shall follow the as-built reports to provide DWQ a means of tracking the project's restoration success for a period of at least five years.

DWQ appreciates the opportunity to participate in up-front evaluations of potential buffer and nutrient offset projects.

We look forward to future participation with your program in our joint efforts to produce quality restoration sites that will help improve water quality.

Please feel free to contact Ms. Merritt at (919) 807-6371 if you have any questions.

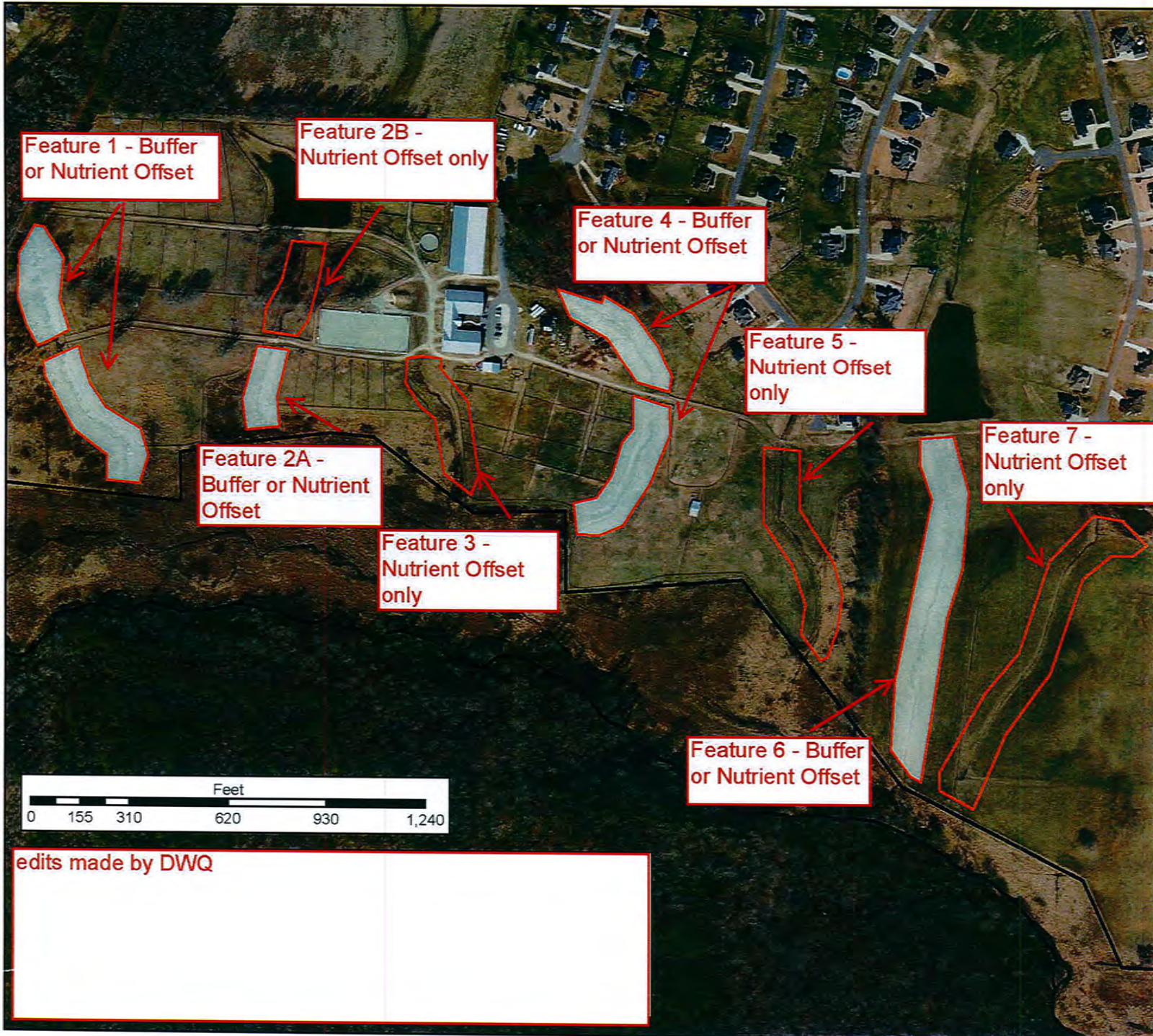
Sincerely,



Karen Higgins  
Wetlands, Buffers, Stormwater Compliance &  
Permitting Unit

Cc: File Copy (Katie Merritt)  
Martin Richmond – RRO (via mail)





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Prepared For:  
 NC DENR:  
 Ecosystem Enhancement Program  
 &  
 NC DWQ

Project: Pepperwood Farm Mitigation Site

Project ID: EEP C #004946

Drawn By: RJH

Date: Nov 12, 2012

Scale 1 inch = 417 feet

Figure:  
 Project Overview



North Carolina Department of Environment and Natural Resources  
Division of Water Quality

Beverly Eaves Perdue  
Governor

Charles Wakild, PE  
Director

Dee Freeman  
Secretary

November 26, 2012

Jessica Kemp  
Eastern Project Manager  
DENR, Ecosystem Enhancement Program  
1652 Mail Service Center  
Raleigh, NC 27699-1652

**Subject: Surface Water Determination Letter**  
NBRRO#12-217  
Wake County

The Raleigh Regional Office of the NC Division of Water Quality/Surface Water Protection Section conducted a site visit at the subject property and is providing the below-listed determination pursuant to your request for a formal surface water determination:

BASIN:	
<input checked="" type="checkbox"/> Neuse (15A NCAC 2B .0233)	<input type="checkbox"/> Tar-Pamlico (15A NCAC 2B .0259)
<input checked="" type="checkbox"/> Ephemeral/Intermittent/Perennial Determination	<input type="checkbox"/> Jordan Lake (15A NCAC 2B .0267)

Project Name: Pepperwood Farm Riparian Buffer Restoration Site

Location/Directions: Project is a proposed Neuse River Riparian Buffer restoration and mitigation site in Wake County

Subject Stream: UT's to Terrible Creek

**RECEIVED**

DEC - 4 2012

NC ECOSYSTEM  
ENHANCEMENT PROGRAM

**Date of Determination: Nov 8, 2012**

Feature	E/I/P*	Not Subject	Subject	Start@	Stop@	Stream Form Pts.	Soil Survey	USGS Topo
1	P		X	Throughout			X	
2	I		X	Farm Road Culvert			X	X
3	I	X (Not Depicted)		Start Flag				
4	I		X	Throughout			X	
5	I	X (Not Depicted)		Farm Road Culvert				
6	P		X	Throughout			X	X
7		X (Not Depicted)		Pond Outfall				

One  
North Carolina  
*Naturally*



*\*E/I/P = Ephemeral/Intermittent/Perennial*

Explanation: The feature(s) listed above has or have been located on the Soil Survey of Wake County, North Carolina or the most recent copy of the USGS Topographic map at a 1:24,000 scale. Each feature that is checked "Not Subject" has been determined not to be a stream or is not present on the property. Features that are checked "Subject" have been located on the property and possess characteristics that qualify it to be a stream. There may be other streams located on your property that do not show up on the maps referenced above but, still may be considered jurisdictional according to the US Army Corps of Engineers and/or to the Division of Water Quality.

**This on-site determination shall expire five (5) years from the date of this letter. Landowners or affected parties that dispute a determination made by the DWQ or Delegated Local Authority may request a determination by the Director. An appeal request must be made within sixty (60) days of date of this letter or from the date the affected party (including downstream and/or adjacent owners) is notified of this letter. A request for a determination by the Director shall be referred to the Director in writing c/o Ian McMillan, DWQ Wetlands/401 Unit, 1650 Mail Service Center, Raleigh NC 27699-1650.**

If you dispute the Director's determination you may file a petition for an administrative hearing. You must file the petition with the Office of Administrative Hearings within sixty (60) days of the receipt of this notice of decision. A petition is considered filed when it is received in the Office of Administrative Hearings during normal office hours. The Office of Administrative Hearings accepts filings Monday through Friday between the hours of 8:00 am and 5:00 pm, except for official state holidays. To request a hearing, send the original and one (1) copy of the petition to the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, NC 27699-6714. The petition may also be faxed to the attention of the Office of Administrative Hearings at (919) 733-3478, provided the original and one (1) copy of the document is received by the Office of Administrative Hearings within five (5) days following the date of the fax transmission. A copy of the petition must also be served to the Department of Natural Resources, c/o Mary Penny Thompson, General Counsel, 1601 Mail Service Center, Raleigh, NC 27699-1601.

This determination is final and binding unless, as detailed above, you ask for a hearing or appeal within sixty (60) days.

The owner/future owners should notify the Division of Water Quality (including any other Local, State, and Federal Agencies) of this decision concerning any future correspondences regarding the subject property (stated above). This project may require a Section 404/401 Permit for the proposed activity. Any inquiries should be directed to the Division of Water Quality (Central Office) at (919)-807-6301, and the US Army Corp of Engineers (Raleigh Regulatory Field Office) at (919)-544-4884.

Respectfully,



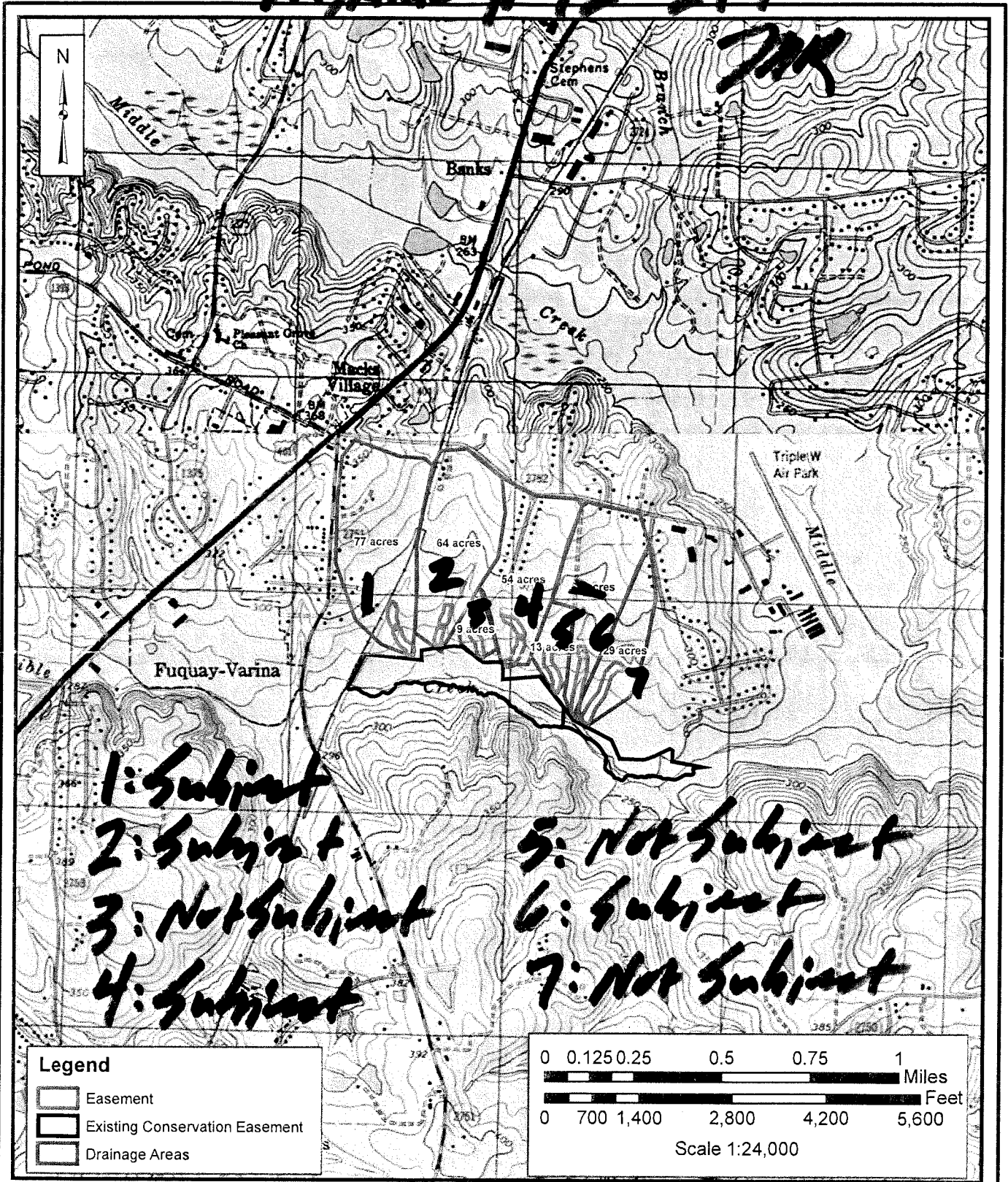
Martin Richmond  
Environmental Specialist

cc: Wetlands/Stormwater Branch, 1650 Mail Service Center, Raleigh NC 27699-1650  
RRO/SWP File Copy




NBRRO # 12-217

7/11



1: Subject  
 2: Subject  
 3: Not Subject  
 4: Subject  
 5: Not Subject  
 6: Subject  
 7: Not Subject



218 Snow Avenue  
 Raleigh, NC 27603  
 (919) 215-1693

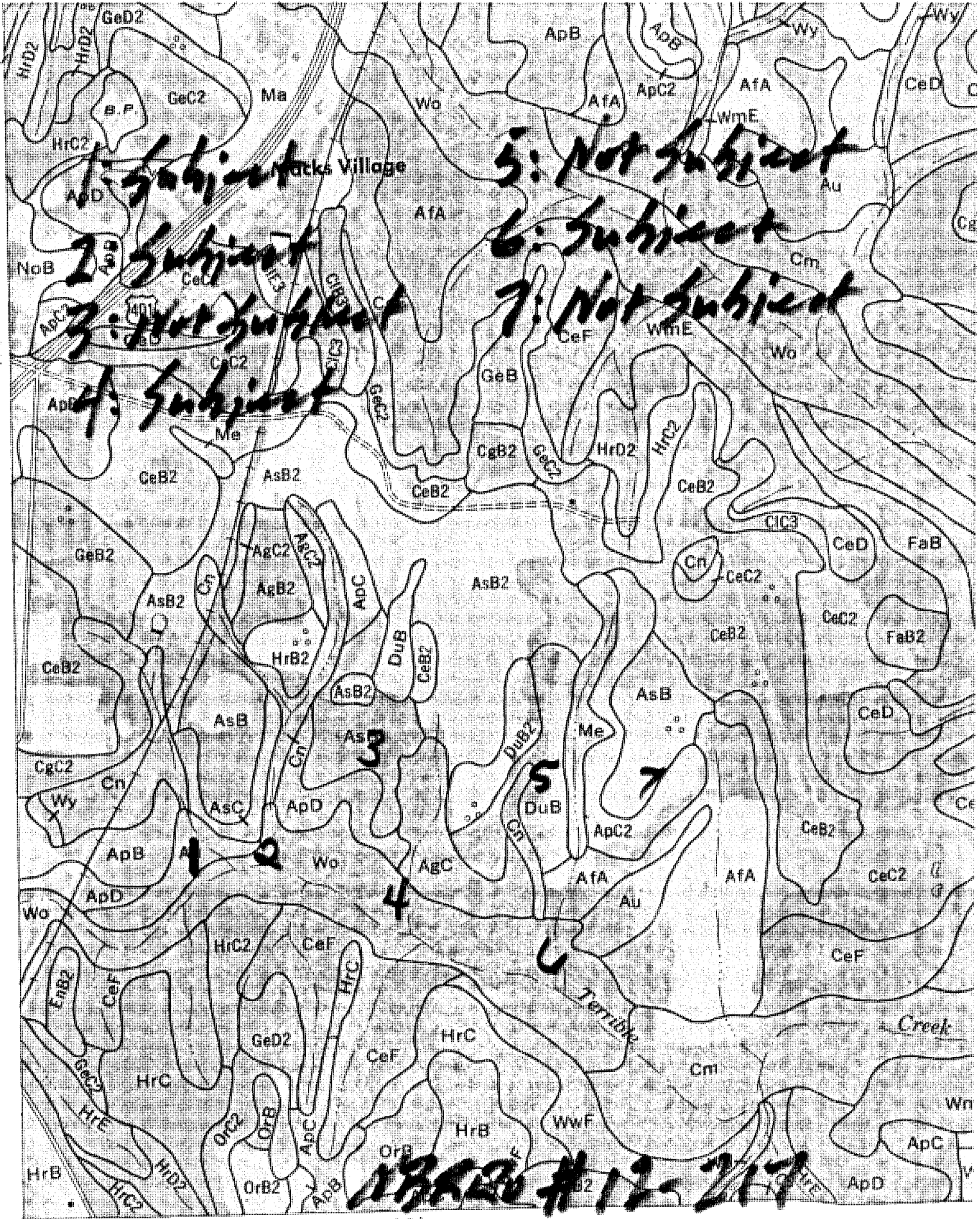
TOPOGRAPHY AND DRAINAGE AREA  
 PEPPERWOOD FARM RIPARIAN BUFFER  
 RESTORATION SITE  
 Wake County, North Carolina

Dwn. by: CLF  
 Date: Feb 2012  
 Project: 09-002.24

FIGURE  
 3

eF

(Joins sheet 91)



1: Subject  
 2: Subject  
 3: Not Subject  
 4: Subject  
 5: Not Subject  
 6: Subject  
 7: Not Subject

(Joins sheet 99)

MR





North Carolina Department of Environment and Natural Resources  
Division of Water Quality

Pat McCrory  
Governor

Charles Wakild, PE  
Director

John E Skvarla, III  
Secretary

November 26, 2012  
REVISED February 8, 2013

Jessica Kemp  
Eastern Project Manager  
DENR, Ecosystem Enhancement Program  
1652 Mail Service Center  
Raleigh, NC 27699-1652

**Subject: Surface Water Determination Letter**  
NBRRO#12-217  
Wake County

The Raleigh Regional Office of the NC Division of Water Quality/Surface Water Protection Section conducted a site visit at the subject property and is providing the below-listed determination pursuant to your request for a formal surface water determination:

BASIN:	
<input checked="" type="checkbox"/> Neuse (15A NCAC 2B .0233)	<input type="checkbox"/> Tar-Pamlico (15A NCAC 2B .0259)
<input checked="" type="checkbox"/> Ephemeral/Intermittent/Perennial Determination	<input type="checkbox"/> Jordan Lake (15A NCAC 2B .0267)

Project Name: Pepperwood Farm Riparian Buffer Restoration Site

Location/Directions: Project is a proposed Neuse River Riparian Buffer restoration and mitigation site in Wake County

Subject Stream: UT's to Terrible Creek

**Date of Determination: Nov 8, 2012 and January 18, 2013**

Feature	E/I/P*	Not Subject	Subject	Start@	Stop@	Stream Form Pts.	Soil Survey	USGS Topo
1	P		X	Throughout			X	
2	I		X	Farm Road Culvert Pond (Include Pond)			X	X
3	I	X (Not Depicted)		Start Flag				
4	I		X	Throughout			X	





5	I	X (Not Depicted)		Farm Road Culvert				
6	P		X	Throughout			X	X
7		X (Not Depicted)		Pond Outfall				
8	I		X	Throughout			X	

\*E/I/P = Ephemeral/Intermittent/Perennial

Explanation: The feature(s) listed above has or have been located on the Soil Survey of Wake County, North Carolina or the most recent copy of the USGS Topographic map at a 1:24,000 scale. Each feature that is checked "Not Subject" has been determined not to be a stream or is not present on the property. Features that are checked "Subject" have been located on the property and possess characteristics that qualify it to be a stream. There may be other streams located on your property that do not show up on the maps referenced above but, still may be considered jurisdictional according to the US Army Corps of Engineers and/or to the Division of Water Quality.

**This on-site determination shall expire five (5) years from the date of this letter. Landowners or affected parties that dispute a determination made by the DWQ or Delegated Local Authority may request a determination by the Director. An appeal request must be made within sixty (60) days of date of this letter or from the date the affected party (including downstream and/or adjacent owners) is notified of this letter. A request for a determination by the Director shall be referred to the Director in writing c/o Ian McMillan, DWQ Wetlands/401 Unit, 1650 Mail Service Center, Raleigh NC 27699-1650.**

If you dispute the Director's determination you may file a petition for an administrative hearing. You must file the petition with the Office of Administrative Hearings within sixty (60) days of the receipt of this notice of decision. A petition is considered filed when it is received in the Office of Administrative Hearings during normal office hours. The Office of Administrative Hearings accepts filings Monday through Friday between the hours of 8:00 am and 5:00 pm, except for official state holidays. To request a hearing, send the original and one (1) copy of the petition to the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, NC 27699-6714. The petition may also be faxed to the attention of the Office of Administrative Hearings at (919) 733-3478, provided the original and one (1) copy of the document is received by the Office of Administrative Hearings within five (5) days following the date of the fax transmission. A copy of the petition must also be served to the Department of Natural Resources, c/o Mary Penny Thompson, General Counsel, 1601 Mail Service Center, Raleigh, NC 27699-1601.

**This determination is final and binding unless, as detailed above, you ask for a hearing or appeal within sixty (60) days.**

The owner/future owners should notify the Division of Water Quality (including any other Local, State, and Federal Agencies) of this decision concerning any future correspondences regarding the subject property (stated above). This project may require a Section 404/401 Permit for the proposed activity. Any inquiries should be directed to the Division of Water Quality (Central Office) at (919)-807-6301, and the US Army Corp of Engineers (Raleigh Regulatory Field Office) at (919)-544-4884.

Respectfully,

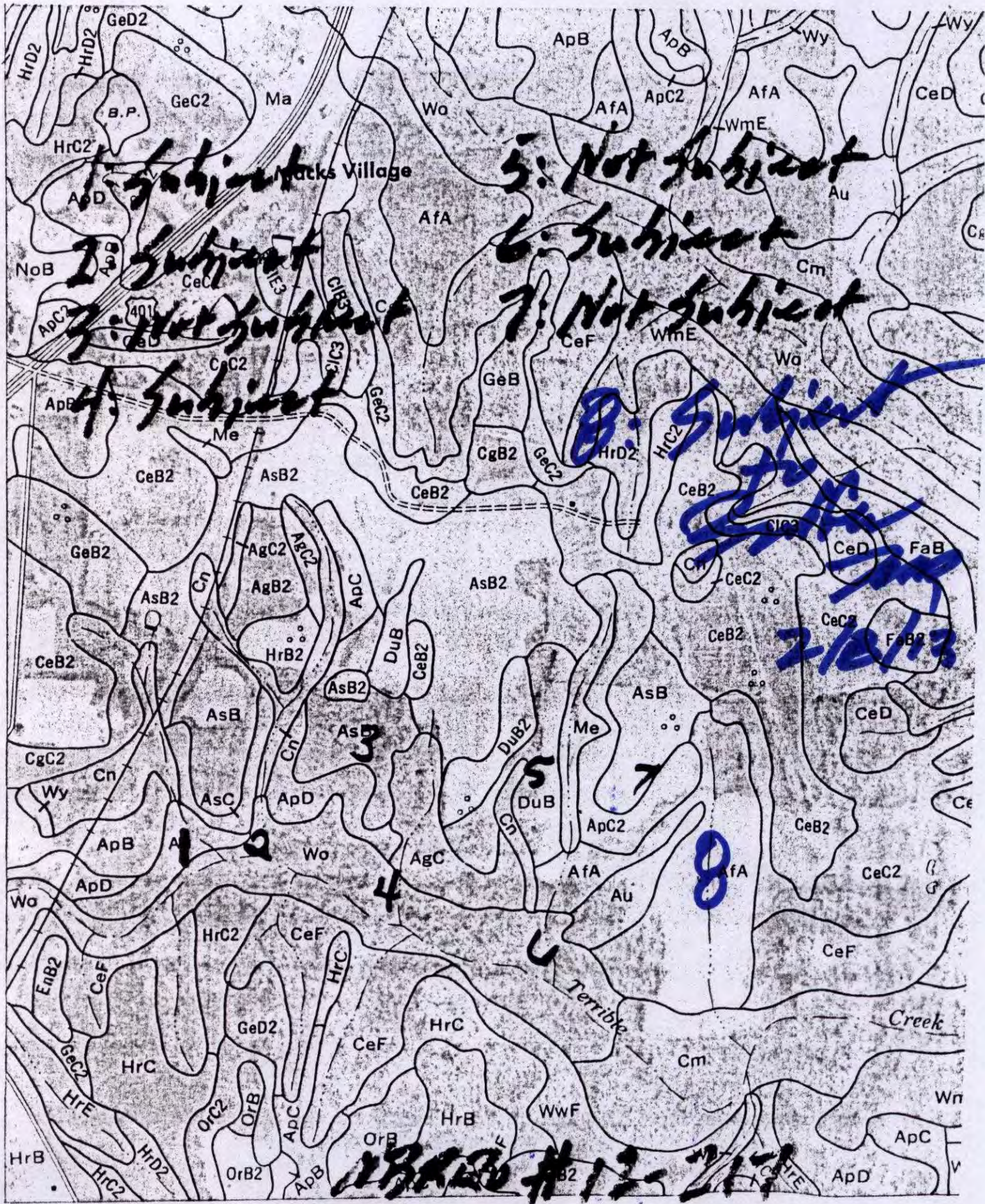


Martin Richmond  
 Environmental Specialist

cc: RRO/SWP File Copy



(Joins sheet 91)



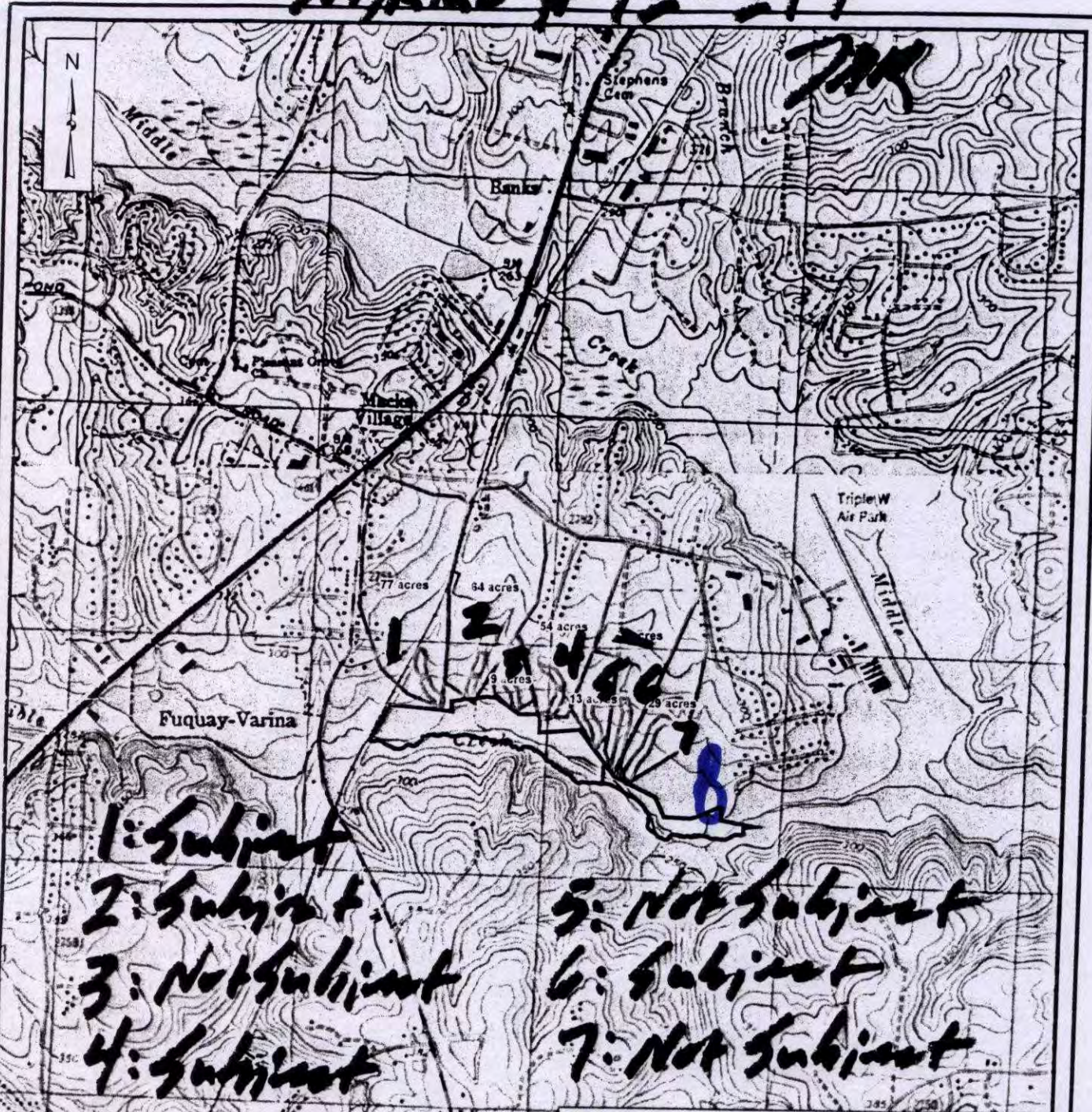
(Joins sheet 99)

*[Handwritten signature]*



NR20 # 12-217

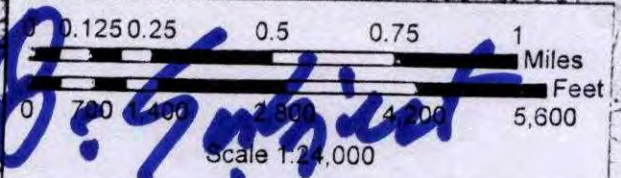
7/11



- 1: Subject
- 2: Subject
- 3: Not Subject
- 4: Subject
- 5: Not Subject
- 6: Subject
- 7: Not Subject

**Legend**

- Easement
- Existing Conservation Easement
- Drainage Areas




218 Snow Avenue  
Raleigh, NC 27603  
(919) 215-1593

TOPOGRAPHY AND DRAINAGE AREA  
PEPPERWOOD FARM RIPARIAN BUFFER  
RESTORATION SITE  
Wake County, North Carolina

Own:	FIGURE
01/11/12	3
Project:	
09-002.24	

*Handwritten notes:*  
8: Subject  
2/10/13 [Signature]



## **APPENDIX B**

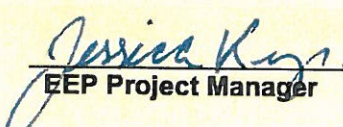
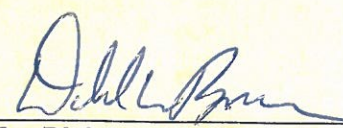
### **CATEGORICAL EXCLUSION FORM**

- Approved Categorical Exclusions Form for Ecosystem Enhancement Program Projects

Appendix A

**Categorical Exclusion Form for Ecosystem Enhancement  
Program Projects  
Version 1.4**

**Note: Only Appendix A should be submitted (along with any supporting documentation) as the environmental document.**

Part 1: General Project Information	
<b>Project Name:</b>	Pepperwood Farm Riparain Buffer Mitigation Site
<b>County Name:</b>	Wake
<b>EEP Number:</b>	ID #: 95713    Contract #: 004946
<b>Project Sponsor:</b>	Restoration Systems, LLC
<b>Project Contact Name:</b>	Raymond Holz
<b>Project Contact Address:</b>	1101 Haynes Street, Suite 211, Raleigh, NC 27604
<b>Project Contact E-mail:</b>	rholz@restorationsystems.com
<b>EEP Project Manager:</b>	Jessica Kemp: Jessica.Kemp@ncdenr.gov
Project Description	
Pepperwood Farm Riparian Buffer Mitigation Site is an NC Ecosystem Enhancement Program Fully Delivery Project, with the primary goal of restoring 12.5 acres of a riparian buffer in the Neuse River Basin, Cataloging Unit 03020201. Primary restoration activities include the removal of noxious weeds and invasive plant species along with the re-establishment of native forest species; defined in the Categorical Exclusion Form (C.E. Form) as non-ground-disturbing activities. Thus, only Parts 1 and 2 of the C.E. Form were completed to satisfy compliance.	
For Official Use Only	
<b>Reviewed By:</b>	
<div style="border-bottom: 1px solid black; margin-bottom: 5px;">8/14/2013</div> <b>Date</b>	<div style="border-bottom: 1px solid black; margin-bottom: 5px;">                       Jessica Kemp                      EEP Project Manager                 </div>
<b>Conditional Approved By:</b>	
<div style="border-bottom: 1px solid black; margin-bottom: 5px;"> </div> <b>Date</b>	<div style="border-bottom: 1px solid black; margin-bottom: 5px;"> </div> <b>For Division Administrator FHWA</b>
<input type="checkbox"/> Check this box if there are outstanding issues	
<b>Final Approval By:</b>	
<div style="border-bottom: 1px solid black; margin-bottom: 5px;">8-20-13</div> <b>Date</b>	<div style="border-bottom: 1px solid black; margin-bottom: 5px;">                       For Division Administrator                      FHWA                 </div>



Part 2: All Projects Regulation/Question		Response
<b>Coastal Zone Management Act (CZMA)</b>		
1. Is the project located in a CAMA county?		<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Does the project involve ground-disturbing activities within a CAMA Area of Environmental Concern (AEC)?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Has a CAMA permit been secured?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Has NCDRCM agreed that the project is consistent with the NC Coastal Management Program?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Comprehensive Environmental Response, Compensation and Liability Act (CERCLA)</b>		
1. Is this a "full-delivery" project?		<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has the zoning/land use of the subject property and adjacent properties ever been designated as commercial or industrial?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. As a result of a limited Phase I Site Assessment, are there known or potential hazardous waste sites within or adjacent to the project area?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. As a result of a Phase I Site Assessment, are there known or potential hazardous waste sites within or adjacent to the project area?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. As a result of a Phase II Site Assessment, are there known or potential hazardous waste sites within the project area?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6. Is there an approved hazardous mitigation plan?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>National Historic Preservation Act (Section 106)</b>		
1. Are there properties listed on, or eligible for listing on, the National Register of Historic Places in the project area?		<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Does the project affect such properties and does the SHPO/THPO concur?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. If the effects are adverse, have they been resolved?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act)</b>		
1. Is this a "full-delivery" project?		<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Does the project require the acquisition of real estate?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Was the property acquisition completed prior to the intent to use federal funds?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Has the owner of the property been informed: * prior to making an offer that the agency does not have condemnation authority; and * what the fair market value is believed to be?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

<b>Part 3: Ground-Disturbing Activities Regulation/Question</b>		<b>Response</b>
<b>American Indian Religious Freedom Act (AIRFA)</b>		
1. Is the project located in a county claimed as "territory" by the Eastern Band of Cherokee Indians?		<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Is the site of religious importance to American Indians?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Is the project listed on, or eligible for listing on, the National Register of Historic Places?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Have the effects of the project on this site been considered?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Antiquities Act (AA)</b>		
1. Is the project located on Federal lands?		<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Will there be loss or destruction of historic or prehistoric ruins, monuments or objects of antiquity?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Will a permit from the appropriate Federal agency be required?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Has a permit been obtained?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Archaeological Resources Protection Act (ARPA)</b>		
1. Is the project located on federal or Indian lands (reservation)?		<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Will there be a loss or destruction of archaeological resources?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Will a permit from the appropriate Federal agency be required?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Has a permit been obtained?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Endangered Species Act (ESA)</b>		
1. Are federal Threatened and Endangered species and/or Designated Critical Habitat listed for the county?		<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Is Designated Critical Habitat or suitable habitat present for listed species?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Are T&E species present or is the project being conducted in Designated Critical Habitat?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Is the project "likely to adversely affect" the species and/or "likely to adversely modify" Designated Critical Habitat?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Does the USFWS/NOAA-Fisheries concur in the effects determination?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6. Has the USFWS/NOAA-Fisheries rendered a "jeopardy" determination?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

<b>Executive Order 13007 (Indian Sacred Sites)</b>	
1. Is the project located on Federal lands that are within a county claimed as "territory" by the EBCI?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has the EBCI indicated that Indian sacred sites may be impacted by the proposed project?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Have accommodations been made for access to and ceremonial use of Indian sacred sites?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Farmland Protection Policy Act (FPPA)</b>	
1. Will real estate be acquired?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has NRCS determined that the project contains prime, unique, statewide or locally important farmland?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Has the completed Form AD-1006 been submitted to NRCS?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Fish and Wildlife Coordination Act (FWCA)</b>	
1. Will the project impound, divert, channel deepen, or otherwise control/modify any water body?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Have the USFWS and the NCWRC been consulted?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Land and Water Conservation Fund Act (Section 6(f))</b>	
1. Will the project require the conversion of such property to a use other than public, outdoor recreation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has the NPS approved of the conversion?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Magnuson-Stevens Fishery Conservation and Management Act (Essential Fish Habitat)</b>	
1. Is the project located in an estuarine system?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Is suitable habitat present for EFH-protected species?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Is sufficient design information available to make a determination of the effect of the project on EFH?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Will the project adversely affect EFH?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Has consultation with NOAA-Fisheries occurred?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Migratory Bird Treaty Act (MBTA)</b>	
1. Does the USFWS have any recommendations with the project relative to the MBTA?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Have the USFWS recommendations been incorporated?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Wilderness Act</b>	
1. Is the project in a Wilderness area?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has a special use permit and/or easement been obtained from the maintaining federal agency?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

National Historic Preservation Act (Section 106)

- Please see the attached letter to and from the State Historic Preservation Office.



Natural Resource  
Restoration & Conservation

May 3, 2013

Renee Gledhill-Earley  
N.C. State Historic Preservation Office  
4617 Mail Service Center  
Raleigh, NC 27699-4617

Subject: Request for Letter of Concurrence on Pepperwood Farm Riparian Buffer Mitigation Site

Dear Ms. Gledhill-Earley,

Restoration Systems, LLC (RS) has been awarded a contract by the NC Ecosystem Enhancement Program (EEP) to restore 12.5 acres of a riparian buffer in the Neuse River Basin, Cataloging Unit 03020201. The project is located in Wake County, approximately 1.6 miles northeast of Willow Springs, NC. A map showing the location of the project is attached.

Native forest vegetation was removed to accommodate its current use as agriculture land and horse pasture. The Pepperwood Farm Riparian Buffer Mitigation Site has been identified for the purpose of providing in-kind mitigation for unavoidable riparian buffer impacts within the Neuse 01 watershed. Primary activities, designed to restore 12.5 acres of riparian buffer include the removal of noxious weeds and invasive plant species and the planting of native forest species.

There are no structures on or adjacent to the site that will be impacted by the implementation of the project. RS staff examined the records on the North Carolina State Historic Preservation Office GIS Web Service and determined that there are no listed historic properties or archeological records on or within 0.5 miles of the project. A letter of concurrence from your office is required as part of the Environmental Screening of the project. I would appreciate receiving such a letter for this project at your earliest convenience.

Thank you in advance for your timely response and cooperation. Please feel free to contact me at the office 919.334.9122 if you have any questions.

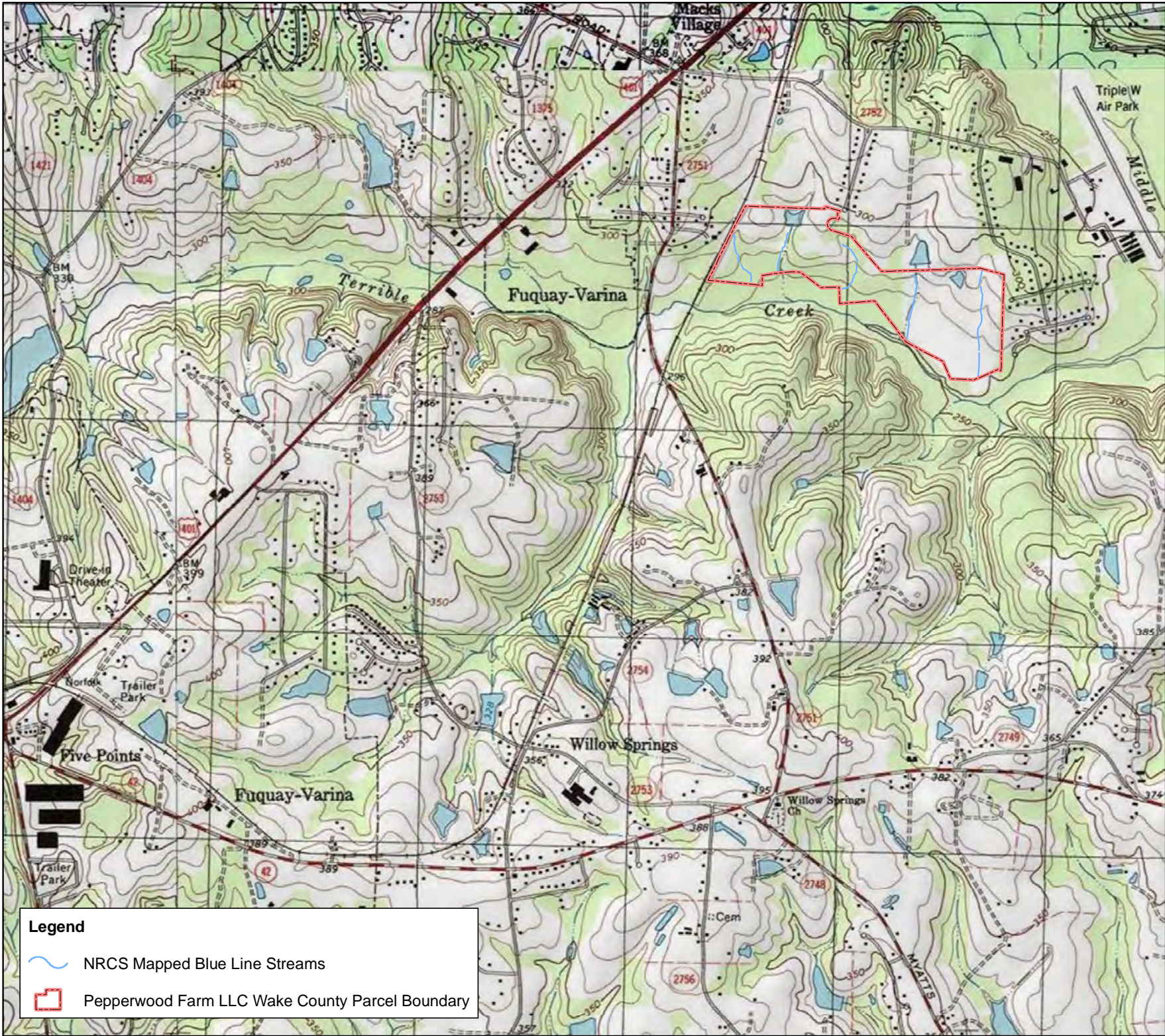
Best Regards,

Raymond Holz, Project Manager



Attachments:

- Project Location Map
- Existing Conditions Aerial





**Legend**

-  NRCS Mapped Blue Line Streams
-  Pepperwood Farm LLC Wake County Parcel Boundary



1101 HAYNES ST, SUITE 211  
 RALEIGH, NC 27604  
 PHONE : 919.755.9490  
 FAX : 919.755.9492

Prepared For:  
 CHARLES E. DOUTHIT &  
 MEREDITH D. CRAWFORD

1200 TRILLIUM CIRCLE  
 RALEIGH, NC 27606

USGS 24:000 Topography



Project: Pepperwood Farm

ID:

Drawn By: RJH

Date: May 2013

Scale: 1 inch = 2,000 feet

Figure:

**Figure 1**





1101 HAYNES ST, SUITE 211  
RALEIGH, NC 27604  
PHONE : 919.755.9490  
FAX : 919.755.9492

Prepared For:  
CHARLES E. DOUTHIT &  
MEREDITH D. CRAWFORD

1200 TRILLIUM CIRCLE  
RALEIGH, NC 27606

Existing Conditions Aerial



Project: Pepperwood Farm

ID:

Drawn By: RJH

Date: May 2013




Scale: 1 inch = 542 feet

Figure:

Figure 2



**Legend**

-  NRCS Mapped Blue Line Streams
-  Riparian Buffer Restoration +/- 12.5 acres
-  Pepperwood Farm LLC Wake County Parcel Boundary





North Carolina Department of Cultural Resources  
State Historic Preservation Office

Ramona M. Bartos, Administrator

Governor Pat McCrory  
Secretary Susan Kluttz

Office of Archives and History  
Deputy Secretary Kevin Cherry

June 3, 2013

Raymond Holz  
Restoration Systems, LLC  
1101 Haynes Street, Suite 211  
Raleigh, NC 27604

Re: Pepperwood Farm Riparian Buffer Mitigation Site, Wake County, ER 13-0895

Dear Mr. Holz:

Thank you for your letter of May 3, 2013, concerning the above project.

We have conducted a review of the project and are aware of no historic resources which would be affected by the project. Therefore, we have no comment on the project as proposed.

The above comments are made pursuant to Section 106 of the National Historic Preservation Act and the Advisory Council on Historic Preservation's Regulations for Compliance with Section 106 codified at 36 CFR Part 800.

Thank you for your cooperation and consideration. If you have questions concerning the above comment, please contact Renee Gledhill-Earley, environmental review coordinator, at 919-807-6579. In all future communication concerning this project, please cite the above-referenced tracking number.

Sincerely,

A handwritten signature in blue ink that reads "Renee Gledhill-Earley".

A small handwritten signature in blue ink that reads "for".  
Ramona M. Bartos

Uniform Act

- Please see the attached letter, sent to the landowner February, 2<sup>nd</sup> 2011.



Natural Resource  
Restoration & Conservation

May 1, 2013

Pepperwood Farm, LLC  
1200 Trillium Circle  
Raleigh, North Carolina  
27606

Dear Mr. Charles Douthit:

The purpose of this letter is to notify you that Restoration Systems, LLC, in offering to purchase your property in Davidson County, North Carolina, does not have the power to acquire it by eminent domain. Also, Restoration Systems' offer to purchase your property is based on what we believe to be its fair market.

If you have any questions, please feel free to call me at 919-755-9490

Sincerely,

Raymond Holz  
Project Manager



Public Notice

- Please see the attached Affidavit of Publication for a Public Notice in the New Bern Sun Journal.

**AFFIDAVIT OF PUBLICATION**

STATE OF NORTH CAROLINA

COUNTY OF WAKE

Tammy Oxendine

Associate Editor, of the FUQUAY- VARINA INDEPENDENT,  
a newspaper published in Wake County, N.C. being duly  
sworn, says that at the time the attached notice was  
published in the FUQUAY- VARINA INDEPENDENT ,  
said newspaper met all of the requirements and qualifications  
prescribed by North Carolina General Statute 1 -597;  
that said newspaper had a general circulation to actual  
paid subscribers; and, was admitted to the United States  
mail as second class matter in Wake County, N.C.;;  
and further, that the attached notice was published in  
the FUQUAY- VARINA INDEPENDENT on

5/8 20 13

*Tammy Oxendine*

Associate Editor

Sworn to and subscribed before me

this the 21 day of May 20 13

*Don M. Garcia*

NOTARY PUBLIC

My commission expires: My Commission Expires February 27, 2016

**PUBLIC NOTIFICATION:  
NOTICE OF AN OPPORTUNITY FOR  
AN INFORMATIONAL PUBLIC MEET-  
ING ON THE PURCHASE AND OR USE  
OF PROPERTY FOR THE RESTORA-  
TION OF RIPARIAN BUFFERS**

Wake County, North Carolina  
Restoration Systems, LLC proposes to  
place a conservation easement on a  
+/- 12.5 acre tract of land in Wake  
County, North Carolina. The purpose of  
using this property is to provide mitiga-  
tion for impacts to riparian buffer that will  
result from existing or future develop-  
ment in the area. Anyone desiring that an  
informational public meeting be held for  
this proposed action may make such a  
request by registered letter to Restora-  
tion Systems, LLC at 1101 Haynes St.  
Suite 211, Raleigh, NC 27604. Request  
must be made by May 24th, 2013. If addi-  
tional information is required, please con-  
tact Restoration Systems, LLC at 919  
755-9490. The Ecosystem Enhancement  
Program reserves the right to determine if  
a public meeting will be held.  
RS FV 5/8/13

## APPENDIX C

### SITE PROTECTION INSTRUMENT

The land required for the construction, management, and stewardship of this mitigation project includes the following parcels.

#### Site Parcel Information - Pepperwood Farm Riparian Buffer Mitigation Site

	<b>Landowner</b>	<b>PIN</b>	<b>County</b>	<b>Site Protection Instrument</b>	<b>Deed Book and Page Number</b>	<b>Acreage protected</b>
Tract '2-A'	Pepperwood Farms, LLC	0688400183	Wake	Conservation Easement	Bk : 015513 Pg : 00130	1.05
Tract '2-B'	Pepperwood Farms, LLC	0687492542	Wake	Conservation Easement	Bk : 015513 Pg : 00142	5.03
Tract '2-C'	Pepperwood Farms, LLC	0687685542	Wake	Conservation Easement	Bk : 015513 Pg : 00157	6.58

WAKE COUNTY, NC 183  
LAURA M RIDDICK  
REGISTER OF DEEDS  
PRESENTED & RECORDED ON  
11/25/2013 AT 11:56:01  
STATE OF NORTH CAROLINA  
REAL ESTATE EXCISE TAX: \$39  
BOOK:015513 PAGE:00130 - 00141

Prepared by and mail to: William B. Aycock II  
Aycock & Aycock PLLC  
301 N. Elm Street, Suite 400  
Greensboro, NC 27401

STATE OF NORTH CAROLINA  
WAKE COUNTY

DEED OF CONSERVATION EASEMENT  
AND RIGHT OF ACCESS  
PROVIDED PURSUANT TO  
FULL DELIVERY MITIGATION CONTRACT

*re Tax #39*  
SPO File Number: 92-AGZ  
EEP Project Number: 95713

Prepared by: Office of the Attorney General  
Property Control Section  
Return to: NC Department of Administration  
State Property Office  
1321 Mail Service Center  
Raleigh, NC 27699-1321

**THIS DEED OF CONSERVATION EASEMENT AND RIGHT OF ACCESS**, made this 25<sup>th</sup> day of November, 2013, by **PEPPERWOOD FARM, LLC**, ("Grantor"), whose mailing address is 1200 Trillium Circle, Raleigh North Carolina 27606, to the **STATE OF NORTH CAROLINA**, ("Grantee"), whose mailing address is State of North Carolina, Department of Administration, State Property Office, 1321 Mail Service Center, Raleigh, NC 27699-1321. The designations of Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine, or neuter as required by context.

**WITNESSETH:**

**WHEREAS**, pursuant to the provisions of N.C. Gen. Stat. § 143-214.8 et seq., the State of North Carolina has established the Ecosystem Enhancement Program (formerly known as the Wetlands Restoration Program) within the Department of Environment and Natural Resources for the purposes of acquiring, maintaining, restoring, enhancing, creating and preserving wetland and riparian resources that contribute to the protection and improvement of water quality, flood prevention, fisheries, aquatic habitat, wildlife habitat, and recreational opportunities; and

**WHEREAS**, this Conservation Easement from Grantor to Grantee has been negotiated, arranged and provided for as a condition of a full delivery contract between Restoration Systems, LLC, 1101 Haynes Street, Suite 211, Raleigh, North Carolina, 27604, and the North Carolina Department of Environment and Natural Resources, to provide stream, wetland and/or buffer mitigation pursuant to the North Carolina Department of Environment and Natural Resources Purchase and Services Contract Number 004946.

**WHEREAS**, The State of North Carolina is qualified to be the Grantee of a Conservation Easement pursuant to N.C. Gen. Stat. § 121-35; and

**WHEREAS**, the Department of Environment and Natural Resources and the United States Army Corps of Engineers, Wilmington District entered into a Memorandum of Understanding, (MOU) duly executed by all parties on November 4, 1998. This MOU recognized that the Wetlands Restoration Program was to provide effective compensatory mitigation for authorized impacts to wetlands, streams and other aquatic resources by restoring, enhancing and preserving the wetland and riparian areas of the State; and

**WHEREAS**, the Department of Environment and Natural Resources, the North Carolina Department of Transportation and the United States Army Corps of Engineers, Wilmington District entered into a Memorandum of Agreement, (MOA) duly executed by all parties in Greensboro, NC on July 22, 2003, which recognizes that the Ecosystem Enhancement Program is to provide for compensatory mitigation by effective protection of the land, water and natural resources of the State by restoring, enhancing and preserving ecosystem functions; and

**WHEREAS**, the Department of Environment and Natural Resources, the U.S. Army Corps of Engineers, the U.S. Environmental Protection Agency, the U.S. Fish and Wildlife Service, the North Carolina Wildlife Resources Commission, the North Carolina Division of Water Quality, the North Carolina Division of Coastal Management, and the National Marine Fisheries Service entered into an agreement to continue the In-Lieu Fee operations of the North Carolina Department of Natural Resources' Ecosystem Enhancement Program with an effective date of 28 July, 2010, which supersedes and replaces the previously effective MOA and MOU referenced above; and

**WHEREAS**, the acceptance of this instrument for and on behalf of the State of North Carolina was granted to the Department of Administration by resolution as approved by the Governor and Council of State adopted at a meeting held in the City of Raleigh, North Carolina, on the 8<sup>th</sup> day of February 2000; and

**WHEREAS**, the Ecosystem Enhancement Program in the Department of Environment and Natural Resources, which has been delegated the authority authorized by the Governor and Council of State to the Department of Administration, has approved acceptance of this instrument; and

**WHEREAS**, Grantor owns in fee simple certain real property situated, lying, and being in Middle Creek Township, Wake County, North Carolina (the "**Property**"), and being more particularly described as those certain parcels of land containing approximately **118.49** acres and being conveyed to the Grantor by deeds as recorded in **Deed Book 11251 at Page 2354 and Deed Book 11251 at Page 2366** of the Wake County Registry, North Carolina; and

**WHEREAS**, Grantor is willing to grant a Conservation Easement and Right of Access over the herein described areas of the Property, thereby restricting and limiting the use of the areas of the Property subject to the Conservation Easement to the terms and conditions and purposes hereinafter set forth, and Grantee is willing to accept said Easement and Access Right. The Conservation Easement shall be for the protection and benefit of the waters of Terrible Creek and unnamed tributaries of the Neuse River Basin.

**NOW, THEREFORE**, in consideration of the mutual covenants, terms, conditions, and restrictions hereinafter set forth, Grantor unconditionally and irrevocably hereby grants and conveys unto Grantee, its successors and assigns, forever and in perpetuity, two (2) Conservation Easements along with general Rights of Access.

The Conservation Easement Area consists of the following individual tracts:

Conservation Easement Section "A" containing a total of 0.49 acres and Conservation Easement Section "B" containing a total of 0.56 acres located in Tract "2-A" as shown on the plat of survey entitled "Final Plat, Conservation Easement Survey Across a Portion of Tract "2-A" (B.M. 2005, PG. 2119) for The State of North Carolina Ecosystem Enhancement Program, EEP Project ID #95713, SPO #92-AGZ, Pepperwood Farm Mitigation Site," dated November 13, 2013, by K2 Design Group, P.A., PLS No. 4194 and recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book of Maps BM2013, Pages 01595 and 01596.

See attached "**Exhibit A**", Legal Description of area of the Property hereinafter referred to as the "**Conservation Easement Area**"

The purposes of this Conservation Easement are to maintain, restore, enhance, construct, create and preserve wetland and/or riparian resources in the Conservation Easement Area that contribute to the protection and improvement of water quality, flood prevention, fisheries, aquatic habitat, wildlife habitat, and recreational opportunities; to maintain permanently the Conservation Easement Area in its natural condition, consistent with these purposes; and to prevent any use of the Easement Area that will significantly impair or interfere with these purposes. To achieve these purposes, the following conditions and restrictions are set forth:



## I. DURATION OF EASEMENT

Pursuant to law, including the above referenced statutes, this Conservation Easement and Right of Access shall be perpetual and it shall run with, and be a continuing restriction upon the use of, the Property, and it shall be enforceable by the Grantee against the Grantor and against Grantor's heirs, successors and assigns, personal representatives, agents, lessees, and licensees.

## II. GRANTOR RESERVED USES AND RESTRICTED ACTIVITIES

The Conservation Easement Area shall be restricted from any development or usage that would impair or interfere with the purposes of this Conservation Easement. Unless expressly reserved as a compatible use herein, any activity in, or use of, the Conservation Easement Area by the Grantor is prohibited as inconsistent with the purposes of this Conservation Easement. Any rights not expressly reserved hereunder by the Grantor have been acquired by the Grantee. Any rights not expressly reserved hereunder by the Grantor, including the rights to all mitigation credits, including, but not limited to, stream, wetland, and riparian buffer mitigation units, derived from each site within the area of the Conservation Easement, are conveyed to and belong to the Grantee. Without limiting the generality of the foregoing, the following specific uses are prohibited, restricted, or reserved as indicated:

**A. Recreational Uses.** Grantor expressly reserves the right to undeveloped recreational uses, including hiking, bird watching, hunting and fishing, and access to the Conservation Easement Area for the purposes thereof.

**B. Motorized Vehicle Use.** Motorized vehicle use in the Conservation Easement Area is prohibited except within a Crossing Area(s) or Road or Trail as shown on the recorded survey plat or as specifically allowed within a fence maintenance zone as described in section D or a Road or Trail described in section H.

**C. Educational Uses.** The Grantor reserves the right to engage in and permit others to engage in educational uses in the Conservation Easement Area not inconsistent with this Conservation Easement, and the right of access to the Conservation Easement Area for such purposes including organized educational activities such as site visits and observations. Educational uses of the property shall not alter vegetation, hydrology or topography of the site.

**D. Damage to Vegetation.** Except within Crossing Area(s) as shown on the recorded survey plat and as related to the removal of non-native plants, diseased or damaged trees, or vegetation that destabilizes or renders unsafe the Conservation Easement Area to persons or natural habitat, all cutting, removal, mowing, harming, or destruction of any trees and vegetation in the Conservation Easement Area is prohibited with the following exception:

Notwithstanding the foregoing, if there is a fence within the Conservation Easement Area, the Grantor reserves the right to mow and maintain vegetation within 5 feet of the Conservation Easement boundary *as shown on the Survey Plat* and extending along the entire length of the fence. The Grantor, his successors or assigns shall be solely responsible for maintenance of the

fence for as long as there is livestock on the Grantor's property adjacent to the Conservation Easement Area.

**E. Industrial, Residential and Commercial Uses.** All industrial, residential and commercial uses are prohibited in the Conservation Easement Area.

**F. Agricultural Use.** All agricultural uses are prohibited within the Conservation Easement Area including any use for cropland, waste lagoons, or pastureland.

**G. New Construction.** There shall be no building, facility, mobile home, antenna, utility pole, tower, or other structure constructed or placed in the Conservation Easement Area.

**H. Roads and Trails.** There shall be no construction or maintenance of roads, trails, walkways, or paving in the Conservation Easement Area with the following exception:

Only roads and trails located within the Conservation Easement Area prior to completion of the construction of the restoration project and within crossings shown on the recorded survey plat may be maintained by Grantor, successors or assigns to allow for access to the interior of the Property, and must be repaired and maintained to prevent runoff and degradation to the Conservation Easement Area. Such roads and trails shall be covered with pervious materials such as loose gravel or permanent vegetation in order to minimize runoff and prevent sedimentation.

**I. Signs.** No signs shall be permitted in the Conservation Easement Area except interpretive signs describing restoration activities and the conservation values of the Conservation Easement Area, signs identifying the owner of the Property and the holder of the Conservation Easement, signs giving directions, or signs prescribing rules and regulations for the use of the Conservation Easement Area.

**J. Dumping or Storing.** Dumping or storage of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances, machinery, or any other material in the Conservation Easement Area is prohibited.

**K. Grading, Mineral Use, Excavation, Dredging.** There shall be no grading, filling, excavation, dredging, mining, drilling, hydraulic fracturing; removal of topsoil, sand, gravel, rock, peat, minerals, or other materials.

**L. Water Quality and Drainage Patterns.** There shall be no diking, draining, dredging, channeling, filling, leveling, pumping, impounding or diverting, causing, allowing or permitting the diversion of surface or underground water in the Conservation Easement Area. No altering or tampering with water control structures or devices, or disruption or alteration of the restored, enhanced, or created drainage patterns is allowed. All removal of wetlands, polluting or discharging into waters, springs, seeps, or wetlands, or use of pesticide or biocides in the Conservation Easement Area is prohibited. In the event of an emergency interruption or shortage of all other water sources, water from within the Conservation Easement Area may



temporarily be withdrawn for good cause shown as needed for the survival of livestock on the Property.

**M. Subdivision and Conveyance.** Grantor voluntarily agrees that no further subdivision, partitioning, or dividing of any portion of the Property owned by the Grantor in fee simple ("fee") and covered by any individual, numbered Conservation Easement tract subject to this Conservation Easement is allowed. Any future transfer of the Property or any portion thereof shall be subject to this Conservation Easement and Right of Access and to the Grantee's right of unlimited and repeated ingress and egress over and across the Property to the Conservation Easement Area for the purposes set forth herein.

**N. Development Rights.** All development rights are permanently removed from the and are non-transferrable.

**O. Disturbance of Natural Features.** Any change, disturbance, alteration or impairment of the natural features of the Conservation Easement Area or any intentional introduction of non-native plants, trees and/or animal species by Grantor is prohibited.

The Grantor may request permission to vary from the above restrictions for good cause shown, provided that any such request is not inconsistent with the purposes of this Conservation Easement, and the Grantor obtains advance written approval from the N.C. Ecosystem Enhancement Program, whose mailing address is 1652 Mail Services Center, Raleigh, NC 27699-1652.

### III. GRANTEE RESERVED USES

**A. Right of Access, Construction, and Inspection.** The Grantee, its employees and agents, successors and assigns, receive a perpetual Right of Access to the Conservation Easement Area over the Property at reasonable times to undertake any activities to restore, construct, manage, maintain, enhance, protect, and monitor the stream, wetland and any other riparian resources in the Conservation Easement Area, in accordance with restoration activities or a long-term management plan. Unless otherwise specifically set forth in this Conservation Easement, the rights granted herein do not include or establish for the public any access rights.

**B. Restoration Activities.** These activities include planting of trees, shrubs and herbaceous vegetation, installation of monitoring wells, utilization of heavy equipment to grade, fill, and prepare the soil, modification of the hydrology of the site, and installation of natural and manmade materials as needed to direct in-stream, above ground, and subterranean water flow.

**C. Signs.** The Grantee, its employees and agents, successors or assigns, shall be permitted to place signs and witness posts on the Property to include any or all of the following: describe the project, prohibited activities within the Conservation Easement, or identify the project boundaries and the holder of the Conservation Easement.

**D. Fences.** The Grantee, its employees and agents, successors or assigns, shall be permitted to place fencing on the Property within the Conservation Easement Area to restrict livestock access. Although the Grantee is not responsible for fence maintenance, the Grantee reserves the

right to maintain, repair or replace the fence at the sole discretion of the Grantee and at the expense of the Grantor, who agrees to indemnify the Grantee for any costs incurred as a result of maintenance, repair or replacement of the fence if such costs are required to protect the Conservation Easement Area from repeated incidents of grazing or other prohibited activities.

**E. Crossing Area(s).** The Grantee is not responsible for maintenance of crossing area(s), however, the Grantee, its employees and agents, successors or assigns, reserve the right to repair crossing area(s), at its sole discretion and to recover the cost of such repairs from the Grantor if such repairs are needed as a result of activities of the Grantor, his successors or assigns.

#### **IV. ENFORCEMENT AND REMEDIES**

**A. Enforcement.** To accomplish the purposes of this Conservation Easement, Grantee is allowed to prevent any activity within the Conservation Easement Area that is inconsistent with the purposes of this Conservation Easement and to require the restoration of such areas or features in the Conservation Easement Area that may have been damaged by such unauthorized activity or use. Upon any breach of the terms of this Conservation Easement by Grantor, the Grantee shall, except as provided below, notify the Grantor in writing of such breach and the Grantor shall have ninety (90) days after receipt of such notice to correct the damage caused by such breach. If the breach and damage remains uncured after ninety (90) days, the Grantee may enforce this Conservation Easement by bringing appropriate legal proceedings including an action to recover damages, as well as 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 Conservation Easement Area 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, injunctive or other appropriate relief, if the breach is or would irreversibly or otherwise materially impair the benefits to be derived from this Conservation Easement, and the Grantor and Grantee acknowledge that the damage would be irreparable and remedies at law 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. Inspection.** The Grantee, its employees and agents, successors and assigns, have the right, with reasonable notice, to enter the Conservation Easement Area over the Property at reasonable times for the purpose of inspection to determine whether the Grantor is 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 Conservation Easement Area caused by third parties, 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 or damage to the Property resulting from such causes.



**D. Costs of Enforcement.** Beyond regular and typical monitoring expenses, 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 Easement shall be at the discretion of the Grantee and any forbearance, delay or omission by Grantee to exercise its rights hereunder in the event of any breach of any term set forth herein shall not be construed to be a waiver by Grantee.

## V. MISCELLANEOUS

**A.** 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 the 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.

**B.** Grantor is responsible for any real estate taxes, assessments, fees, or charges levied upon the Property. Grantee shall not be responsible for any costs or liability of any kind related to the ownership, operation, insurance, upkeep, or maintenance of the Property, except as expressly provided herein. Upkeep of any constructed bridges, fences, or other amenities on the Property are the sole responsibility of the Grantor. Nothing herein shall relieve the Grantor of the obligation to comply with federal, state or local laws, regulations and permits that may apply to the exercise of the Reserved Rights.

**C.** Any notices shall be sent by registered or certified mail, return receipt requested to the parties at their addresses shown herein or to other addresses as either party establishes in writing upon notification to the other.

**D.** Grantor shall notify Grantee in writing of the name and address and any party to whom the Property or any part thereof is to be transferred at or prior to the time said transfer is made. Grantor further agrees that any subsequent lease, deed, or other legal instrument by which any interest in the Property is conveyed is subject to the Conservation Easement herein created.

**E.** The Grantor and Grantee agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interests in the Property or any portion thereof.

**F.** This Conservation Easement and Right of Access may be amended, but only in writing signed by all parties hereto, or their successors or assigns, if such amendment does not affect the qualification of this Conservation Easement or the status of the Grantee under any applicable laws, and is consistent with the purposes of the Conservation Easement. The owner of the Property shall notify the State Property Office and the U.S. Army Corps of Engineers in writing sixty (60) days prior to the initiation of any transfer of all or any part of the Property or of any request to void or modify this Conservation Easement. Such notifications and modification requests shall be addressed to:

Ecosystem Enhancement Program Manager  
State Property Office  
1321 Mail Service Center  
Raleigh, NC 27699-1321

and

General Counsel  
US Army Corps of Engineers  
69 Darlington Avenue  
Wilmington, NC 28403

**G.** The parties 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 holder under N.C. Gen. Stat. § 121-34 et seq. and § 170(h) of the Internal Revenue Code, and the 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 in perpetuity the conservation purposes described in this document.

## **VI. QUIET ENJOYMENT**

Grantor reserves all remaining rights accruing from ownership of the Property, including the right to engage in or permit or invite others to engage in only those uses of the Conservation Easement Area that are expressly reserved herein, not prohibited or restricted herein, and are not inconsistent with the purposes of this Conservation Easement. Without limiting the generality of the foregoing, the Grantor expressly reserves to the Grantor, and the Grantor's invitees and licensees, the right of access to the Conservation Easement Area, and the right of quiet enjoyment of the Conservation Easement Area,

**TO HAVE AND TO HOLD**, the said rights and easements perpetually unto the State of North Carolina for the aforesaid purposes,

**AND** Grantor covenants that Grantor is seized of said premises in fee and has the right to convey the permanent Conservation Easement herein granted; that the same is free from encumbrances and that Grantor will warrant and defend title to the same against the claims of all persons whomsoever.

IN TESTIMONY WHEREOF, the Grantor has hereunto set his hand and seal, the day and year first above written.

PEPPERWOOD FARM, LLC

By Charles E. Douthett  
Name: Charles E. Douthett  
Title: member

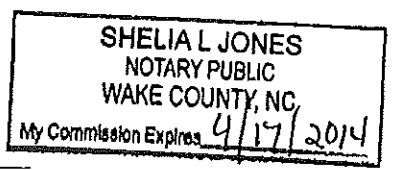
NORTH CAROLINA  
COUNTY OF Wake

I, Shelia L. Jones, a Notary Public in and for the County and State aforesaid, do hereby certify that Charles E. Douthett, Grantor, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and Notary Seal this the 25<sup>th</sup> day of November, 2013

Shelia Jones  
Notary Public

My commission expires:  
4-17-2014





**EXHIBIT "A"**  
**CONSERVATION EASEMENT ON TRACT 2-A**

**Section A on Tract 2-A**

All of the conservation easement Section A on Tract 2-A lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 146 and being the Southwestern most corner of the Conservation Easement Section A on Tract 2-A, and being located North 80°25'23" West 2353.25 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning (Point No. 146), North 30°10'11" East 14.61 feet to an iron stake set; thence North 51°15'26" East 15.91 feet to an iron stake set; thence North 15°40'53" East 91.19 feet to an iron stake set; thence North 12°05'16" East 54.00 feet to an iron stake set; thence North 00°25'34" East 18.38 feet to an iron stake set; thence South 85°38'04" East 115.13 feet to an iron stake set; thence South 05°29'53" West 40.04 feet to an iron stake set; thence South 10°31'03" West 36.90 feet to an iron stake set; thence South 16°56'29" West 80.84 feet to an iron stake set; thence South 07°27'57" West 24.59 feet to an iron stake set; thence North 87°50'04" West 133.41 feet to an iron stake set (Point No. 146) which is the point of beginning, having an area of 0.49 acre.

**Section B on Tract 2-A**

All of the conservation easement Section B on Tract 2-A lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 187 and being the Southwestern most corner of the Conservation Easement Section B on Tract 2-A, and being located North 82°18'58" West 3156.64 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning (Point No. 187), North 26°23'31" East 73.58 feet to an iron stake set; thence North 26°28'52" West 45.48 feet to an iron stake set; thence North 26°28'07" East 126.83 feet to an iron stake set; thence South 42°23'55" East 71.06 feet to an iron stake set; thence South 37°45'26" East 59.46 feet to an iron stake set; thence South 00°09'11" East 14.37 feet to an iron stake set; thence South 36°40'25" East 50.18 feet to an iron stake set; thence South 55°42'51" West 41.11 feet to an iron stake set; thence South 03°39'41" West 48.52 feet to an iron stake set; thence North 87°50'04" West 146.32 feet to an iron stake set (Point No. 187) which is the point of beginning, having an area of 0.56 acres.

TOGETHER WITH a new 20-foot ingress, egress, regress and utility easement as shown on the plat of survey entitled "Final Plat, Conservation Easement Survey Across a Portion of Tract "2-A" (BM 2005, PG. 2119) for The State of North Carolina Ecosystem Enhancement Program, EEP Project ID #95713, SPO #92-AGZ, Pepperwood Farm Mitigation Site," dated November 13, 2013, by K2 Design Group, P.A., PLS No. 4194 and recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book of Maps BM2013, Pages 01595 and 01596.

WAKE COUNTY, NC 184  
 LAURA M RIDDICK  
 REGISTER OF DEEDS  
 PRESENTED & RECORDED ON  
 11/25/2013 AT 11:56:01  
 STATE OF NORTH CAROLINA  
 REAL ESTATE EXCISE TAX: \$183  
 BOOK:015513 PAGE:00142 - 00156

Prepared by and mail to: William B. Aycock II  
 Aycock & Aycock PLLC  
 301 N. Elm Street, Suite 400  
 Greensboro, NC 27401

STATE OF NORTH CAROLINA  
 WAKE COUNTY

DEED OF CONSERVATION EASEMENT  
 AND RIGHT OF ACCESS  
 PROVIDED PURSUANT TO  
 FULL DELIVERY MITIGATION CONTRACT

*NC Tax \$183*

SPO File Number: 92-AGZ  
 EEP Project Number: 95713

Prepared by: Office of the Attorney General  
 Property Control Section  
 Return to: NC Department of Administration  
 State Property Office  
 1321 Mail Service Center  
 Raleigh, NC 27699-1321

**THIS DEED OF CONSERVATION EASEMENT AND RIGHT OF ACCESS**, made this 25<sup>th</sup> day of November, 2013, by **PEPPERWOOD FARM, LLC**, ("Grantor"), whose mailing address is 1200 Trillium Circle, Raleigh North Carolina 27606, to the **STATE OF NORTH CAROLINA**, ("Grantee"), whose mailing address is State of North Carolina, Department of Administration, State Property Office, 1321 Mail Service Center, Raleigh, NC 27699-1321. The designations of Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine, or neuter as required by context.

**WITNESSETH:**

**WHEREAS**, pursuant to the provisions of N.C. Gen. Stat. § 143-214.8 et seq., the State of North Carolina has established the Ecosystem Enhancement Program (formerly known as the Wetlands Restoration Program) within the Department of Environment and Natural Resources for the purposes of acquiring, maintaining, restoring, enhancing, creating and preserving wetland and riparian resources that contribute to the protection and improvement of water quality, flood prevention, fisheries, aquatic habitat, wildlife habitat, and recreational opportunities; and

**WHEREAS**, this Conservation Easement from Grantor to Grantee has been negotiated, arranged and provided for as a condition of a full delivery contract between Restoration Systems, LLC, 1101 Haynes Street, Suite 211, Raleigh, North Carolina, 27604, and the North Carolina Department of Environment and Natural Resources, to provide stream, wetland and/or buffer mitigation pursuant to the North Carolina Department of Environment and Natural Resources Purchase and Services Contract Number 004946.

**WHEREAS**, The State of North Carolina is qualified to be the Grantee of a Conservation Easement pursuant to N.C. Gen. Stat. § 121-35; and

**WHEREAS**, the Department of Environment and Natural Resources and the United States Army Corps of Engineers, Wilmington District entered into a Memorandum of Understanding, (MOU) duly executed by all parties on November 4, 1998. This MOU recognized that the Wetlands Restoration Program was to provide effective compensatory mitigation for authorized impacts to wetlands, streams and other aquatic resources by restoring, enhancing and preserving the wetland and riparian areas of the State; and

**WHEREAS**, the Department of Environment and Natural Resources, the North Carolina Department of Transportation and the United States Army Corps of Engineers, Wilmington District entered into a Memorandum of Agreement, (MOA) duly executed by all parties in Greensboro, NC on July 22, 2003, which recognizes that the Ecosystem Enhancement Program is to provide for compensatory mitigation by effective protection of the land, water and natural resources of the State by restoring, enhancing and preserving ecosystem functions; and

**WHEREAS**, the Department of Environment and Natural Resources, the U.S. Army Corps of Engineers, the U.S. Environmental Protection Agency, the U.S. Fish and Wildlife Service, the North Carolina Wildlife Resources Commission, the North Carolina Division of Water Quality, the North Carolina Division of Coastal Management, and the National Marine Fisheries Service entered into an agreement to continue the In-Lieu Fee operations of the North Carolina Department of Natural Resources' Ecosystem Enhancement Program with an effective date of 28 July, 2010, which supersedes and replaces the previously effective MOA and MOU referenced above; and

**WHEREAS**, the acceptance of this instrument for and on behalf of the State of North Carolina was granted to the Department of Administration by resolution as approved by the Governor and Council of State adopted at a meeting held in the City of Raleigh, North Carolina, on the 8<sup>th</sup> day of February 2000; and



**WHEREAS**, the Ecosystem Enhancement Program in the Department of Environment and Natural Resources, which has been delegated the authority authorized by the Governor and Council of State to the Department of Administration, has approved acceptance of this instrument; and

**WHEREAS**, Grantor owns in fee simple certain real property situated, lying, and being in Middle Creek Township, Wake County, North Carolina (the "**Property**"), and being more particularly described as those certain parcels of land containing approximately **118.49** acres and being conveyed to the Grantor by deeds as recorded in **Deed Book 11251 at Page 2354** and **Deed Book 11251 at Page 2366** of the Wake County Registry, North Carolina; and

**WHEREAS**, Grantor is willing to grant a Conservation Easement and Right of Access over the herein described areas of the Property, thereby restricting and limiting the use of the areas of the Property subject to the Conservation Easement to the terms and conditions and purposes hereinafter set forth, and Grantee is willing to accept said Easement and Access Right. The Conservation Easement shall be for the protection and benefit of the waters of Terrible Creek and unnamed tributaries of the Neuse River Basin.

**NOW, THEREFORE**, in consideration of the mutual covenants, terms, conditions, and restrictions hereinafter set forth, Grantor unconditionally and irrevocably hereby grants and conveys unto Grantee, its successors and assigns, forever and in perpetuity, six (6) Conservation Easements along with general Rights of Access.

The Conservation Easement Area consists of the following individual tracts:

Conservation Easement Section "A" containing a total of 1.28 acres, Conservation Easement Section "B" containing a total of 1.00 acres, Conservation Easement Section "C" containing a total of 0.65 acres, Conservation Easement Section "D" containing a total of 0.29 acres, Conservation Easement Section "E" containing a total of 0.88 acres and Conservation Easement "F" containing a total of 0.93 acres located in Tract "2-B" as shown on the plat of survey entitled "Final Plat, Conservation Easement Survey Across a Portion of Tract "2-B" (B.M. 2005, PG. 2119) for The State of North Carolina Ecosystem Enhancement Program, EEP Project ID #95713, SPO #92-AGZ, Pepperwood Farm Mitigation Site," dated November 13, 2013, by K2 Design Group, P.A., PLS No. 4194 and recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book of Maps 2013, Pages 01597 and 01598.

See attached "**Exhibit A**", Legal Description of area of the Property hereinafter referred to as the "**Conservation Easement Area**"

The purposes of this Conservation Easement are to maintain, restore, enhance, construct, create and preserve wetland and/or riparian resources in the Conservation Easement Area that contribute to the protection and improvement of water quality, flood prevention, fisheries, aquatic habitat, wildlife habitat, and recreational opportunities; to maintain permanently the Conservation Easement Area in its natural condition, consistent with these purposes; and to prevent any use of the Easement Area that will significantly impair or interfere with these purposes. To achieve these purposes, the following conditions and restrictions are set forth:

## I. DURATION OF EASEMENT

Pursuant to law, including the above referenced statutes, this Conservation Easement and Right of Access shall be perpetual and it shall run with, and be a continuing restriction upon the use of, the Property, and it shall be enforceable by the Grantee against the Grantor and against Grantor's heirs, successors and assigns, personal representatives, agents, lessees, and licensees.

## II. GRANTOR RESERVED USES AND RESTRICTED ACTIVITIES

The Conservation Easement Area shall be restricted from any development or usage that would impair or interfere with the purposes of this Conservation Easement. Unless expressly reserved as a compatible use herein, any activity in, or use of, the Conservation Easement Area by the Grantor is prohibited as inconsistent with the purposes of this Conservation Easement. Any rights not expressly reserved hereunder by the Grantor have been acquired by the Grantee. Any rights not expressly reserved hereunder by the Grantor, including the rights to all mitigation credits, including, but not limited to, stream, wetland, and riparian buffer mitigation units, derived from each site within the area of the Conservation Easement, are conveyed to and belong to the Grantee. Without limiting the generality of the foregoing, the following specific uses are prohibited, restricted, or reserved as indicated:

**A. Recreational Uses.** Grantor expressly reserves the right to undeveloped recreational uses, including hiking, bird watching, hunting and fishing, and access to the Conservation Easement Area for the purposes thereof.

**B. Motorized Vehicle Use.** Motorized vehicle use in the Conservation Easement Area is prohibited except within a Crossing Area(s) or Road or Trail as shown on the recorded survey plat or as specifically allowed within a fence maintenance zone as described in section D or a Road or Trail described in section H.

**C. Educational Uses.** The Grantor reserves the right to engage in and permit others to engage in educational uses in the Conservation Easement Area not inconsistent with this Conservation Easement, and the right of access to the Conservation Easement Area for such purposes including organized educational activities such as site visits and observations. Educational uses of the property shall not alter vegetation, hydrology or topography of the site.

**D. Damage to Vegetation.** Except within Crossing Area(s) as shown on the recorded survey plat and as related to the removal of non-native plants, diseased or damaged trees, or vegetation that destabilizes or renders unsafe the Conservation Easement Area to persons or natural habitat, all cutting, removal, mowing, harming, or destruction of any trees and vegetation in the Conservation Easement Area is prohibited with the following exception:

Notwithstanding the foregoing, if there is a fence within the Conservation Easement Area, the Grantor reserves the right to mow and maintain vegetation within 5 feet of the Conservation Easement boundary *as shown on the Survey Plat* and extending along the entire length of the fence. The Grantor, his successors or assigns shall be solely responsible for maintenance of the

fence for as long as there is livestock on the Grantor's property adjacent to the Conservation Easement Area.

**E. Industrial, Residential and Commercial Uses.** All industrial, residential and commercial uses are prohibited in the Conservation Easement Area.

**F. Agricultural Use.** All agricultural uses are prohibited within the Conservation Easement Area including any use for cropland, waste lagoons, or pastureland.

**G. New Construction.** There shall be no building, facility, mobile home, antenna, utility pole, tower, or other structure constructed or placed in the Conservation Easement Area.

**H. Roads and Trails.** There shall be no construction or maintenance of roads, trails, walkways, or paving in the Conservation Easement Area with the following exception:

Only roads and trails located within the Conservation Easement Area prior to completion of the construction of the restoration project and within crossings shown on the recorded survey plat may be maintained by Grantor, successors or assigns to allow for access to the interior of the Property, and must be repaired and maintained to prevent runoff and degradation to the Conservation Easement Area. Such roads and trails shall be covered with pervious materials such as loose gravel or permanent vegetation in order to minimize runoff and prevent sedimentation.

**I. Signs.** No signs shall be permitted in the Conservation Easement Area except interpretive signs describing restoration activities and the conservation values of the Conservation Easement Area, signs identifying the owner of the Property and the holder of the Conservation Easement, signs giving directions, or signs prescribing rules and regulations for the use of the Conservation Easement Area.

**J. Dumping or Storing.** Dumping or storage of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances, machinery, or any other material in the Conservation Easement Area is prohibited.

**K. Grading, Mineral Use, Excavation, Dredging.** There shall be no grading, filling, excavation, dredging, mining, drilling, hydraulic fracturing; removal of topsoil, sand, gravel, rock, peat, minerals, or other materials.

**L. Water Quality and Drainage Patterns.** There shall be no diking, draining, dredging, channeling, filling, leveling, pumping, impounding or diverting, causing, allowing or permitting the diversion of surface or underground water in the Conservation Easement Area. No altering or tampering with water control structures or devices, or disruption or alteration of the restored, enhanced, or created drainage patterns is allowed. All removal of wetlands, polluting or discharging into waters, springs, seeps, or wetlands, or use of pesticide or biocides in the Conservation Easement Area is prohibited. In the event of an emergency interruption or shortage of all other water sources, water from within the Conservation Easement Area may



temporarily be withdrawn for good cause shown as needed for the survival of livestock on the Property.

**M. Subdivision and Conveyance.** Grantor voluntarily agrees that no further subdivision, partitioning, or dividing of any portion of the Property owned by the Grantor in fee simple ("fee") and covered by any individual, numbered Conservation Easement tract subject to this Conservation Easement is allowed. Any future transfer of the Property or any portion thereof shall be subject to this Conservation Easement and Right of Access and to the Grantee's right of unlimited and repeated ingress and egress over and across the Property to the Conservation Easement Area for the purposes set forth herein.

**N. Development Rights.** All development rights are permanently removed from the and are non-transferrable.

**O. Disturbance of Natural Features.** Any change, disturbance, alteration or impairment of the natural features of the Conservation Easement Area or any intentional introduction of non-native plants, trees and/or animal species by Grantor is prohibited.

The Grantor may request permission to vary from the above restrictions for good cause shown, provided that any such request is not inconsistent with the purposes of this Conservation Easement, and the Grantor obtains advance written approval from the N.C. Ecosystem Enhancement Program, whose mailing address is 1652 Mail Services Center, Raleigh, NC 27699-1652.

### III. GRANTEE RESERVED USES

**A. Right of Access, Construction, and Inspection.** The Grantee, its employees and agents, successors and assigns, receive a perpetual Right of Access to the Conservation Easement Area over the Property at reasonable times to undertake any activities to restore, construct, manage, maintain, enhance, protect, and monitor the stream, wetland and any other riparian resources in the Conservation Easement Area, in accordance with restoration activities or a long-term management plan. Unless otherwise specifically set forth in this Conservation Easement, the rights granted herein do not include or establish for the public any access rights.

**B. Restoration Activities.** These activities include planting of trees, shrubs and herbaceous vegetation, installation of monitoring wells, utilization of heavy equipment to grade, fill, and prepare the soil, modification of the hydrology of the site, and installation of natural and manmade materials as needed to direct in-stream, above ground, and subterranean water flow.

**C. Signs.** The Grantee, its employees and agents, successors or assigns, shall be permitted to place signs and witness posts on the Property to include any or all of the following: describe the project, prohibited activities within the Conservation Easement, or identify the project boundaries and the holder of the Conservation Easement.

**D. Fences.** The Grantee, its employees and agents, successors or assigns, shall be permitted to place fencing on the Property within the Conservation Easement Area to restrict livestock access. Although the Grantee is not responsible for fence maintenance, the Grantee reserves the

right to maintain, repair or replace the fence at the sole discretion of the Grantee and at the expense of the Grantor, who agrees to indemnify the Grantee for any costs incurred as a result of maintenance, repair or replacement of the fence if such costs are required to protect the Conservation Easement Area from repeated incidents of grazing or other prohibited activities.

**E. Crossing Area(s).** The Grantee is not responsible for maintenance of crossing area(s), however, the Grantee, its employees and agents, successors or assigns, reserve the right to repair crossing area(s), at its sole discretion and to recover the cost of such repairs from the Grantor if such repairs are needed as a result of activities of the Grantor, his successors or assigns.

#### **IV. ENFORCEMENT AND REMEDIES**

**A. Enforcement.** To accomplish the purposes of this Conservation Easement, Grantee is allowed to prevent any activity within the Conservation Easement Area that is inconsistent with the purposes of this Conservation Easement and to require the restoration of such areas or features in the Conservation Easement Area that may have been damaged by such unauthorized activity or use. Upon any breach of the terms of this Conservation Easement by Grantor, the Grantee shall, except as provided below, notify the Grantor in writing of such breach and the Grantor shall have ninety (90) days after receipt of such notice to correct the damage caused by such breach. If the breach and damage remains uncured after ninety (90) days, the Grantee may enforce this Conservation Easement by bringing appropriate legal proceedings including an action to recover damages, as well as 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 Conservation Easement Area 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, injunctive or other appropriate relief, if the breach is or would irreversibly or otherwise materially impair the benefits to be derived from this Conservation Easement, and the Grantor and Grantee acknowledge that the damage would be irreparable and remedies at law 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. Inspection.** The Grantee, its employees and agents, successors and assigns, have the right, with reasonable notice, to enter the Conservation Easement Area over the Property at reasonable times for the purpose of inspection to determine whether the Grantor is 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 Conservation Easement Area caused by third parties, 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 or damage to the Property resulting from such causes.

**D. Costs of Enforcement.** Beyond regular and typical monitoring expenses, 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 Easement shall be at the discretion of the Grantee and any forbearance, delay or omission by Grantee to exercise its rights hereunder in the event of any breach of any term set forth herein shall not be construed to be a waiver by Grantee.

## V. MISCELLANEOUS

**A.** 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 the 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.

**B.** Grantor is responsible for any real estate taxes, assessments, fees, or charges levied upon the Property. Grantee shall not be responsible for any costs or liability of any kind related to the ownership, operation, insurance, upkeep, or maintenance of the Property, except as expressly provided herein. Upkeep of any constructed bridges, fences, or other amenities on the Property are the sole responsibility of the Grantor. Nothing herein shall relieve the Grantor of the obligation to comply with federal, state or local laws, regulations and permits that may apply to the exercise of the Reserved Rights.

**C.** Any notices shall be sent by registered or certified mail, return receipt requested to the parties at their addresses shown herein or to other addresses as either party establishes in writing upon notification to the other.

**D.** Grantor shall notify Grantee in writing of the name and address and any party to whom the Property or any part thereof is to be transferred at or prior to the time said transfer is made. Grantor further agrees that any subsequent lease, deed, or other legal instrument by which any interest in the Property is conveyed is subject to the Conservation Easement herein created.

**E.** The Grantor and Grantee agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interests in the Property or any portion thereof.

**F.** This Conservation Easement and Right of Access may be amended, but only in writing signed by all parties hereto, or their successors or assigns, if such amendment does not affect the qualification of this Conservation Easement or the status of the Grantee under any applicable laws, and is consistent with the purposes of the Conservation Easement. The owner of the Property shall notify the State Property Office and the U.S. Army Corps of Engineers in writing sixty (60) days prior to the initiation of any transfer of all or any part of the Property or of any request to void or modify this Conservation Easement. Such notifications and modification requests shall be addressed to:



Ecosystem Enhancement Program Manager  
State Property Office  
1321 Mail Service Center  
Raleigh, NC 27699-1321

and

General Counsel  
US Army Corps of Engineers  
69 Darlington Avenue  
Wilmington, NC 28403

**G.** The parties 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 holder under N.C. Gen. Stat. § 121-34 et seq. and § 170(h) of the Internal Revenue Code, and the 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 in perpetuity the conservation purposes described in this document.

## **VI. QUIET ENJOYMENT**

Grantor reserves all remaining rights accruing from ownership of the Property, including the right to engage in or permit or invite others to engage in only those uses of the Conservation Easement Area that are expressly reserved herein, not prohibited or restricted herein, and are not inconsistent with the purposes of this Conservation Easement. Without limiting the generality of the foregoing, the Grantor expressly reserves to the Grantor, and the Grantor's invitees and licensees, the right of access to the Conservation Easement Area, and the right of quiet enjoyment of the Conservation Easement Area,

**TO HAVE AND TO HOLD**, the said rights and easements perpetually unto the State of North Carolina for the aforesaid purposes,

**AND** Grantor covenants that Grantor is seized of said premises in fee and has the right to convey the permanent Conservation Easement herein granted; that the same is free from encumbrances and that Grantor will warrant and defend title to the same against the claims of all persons whomsoever.

IN TESTIMONY WHEREOF, the Grantor has hereunto set his hand and seal, the day and year first above written.

PEPPERWOOD FARM, LLC

By: Charles E. Douthit  
Name: Charles E. Douthit  
Title: member

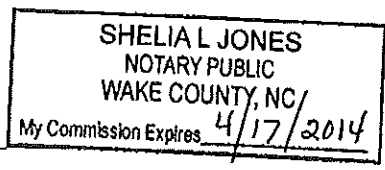
NORTH CAROLINA  
COUNTY OF Wake

I, Shelia L. Jones a Notary Public in and for the County and State aforesaid, do hereby certify that Charles E. Douthit, Grantor, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and Notary Seal this the 25<sup>th</sup> day of November, 2013

Shelia L. Jones  
Notary Public

My commission expires:  
4-17-2014



**EXHIBIT "A"**  
**CONSERVATION EASEMENT ON TRACT 2-B**

**Section A on Tract 2-B**

All of the conservation easement Section A on Tract 2-B lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 105 and being the Northeastern most corner of the Conservation Easement Section A on Tract 2-B, and being located North 86°54'51" West 1067.68 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning, (Point No. 105) South 00°02'40" East 78.31 feet; thence South 23°17'06" West 87.40 feet to an iron stake set; thence South 23°36'43" West 65.57 feet to an iron stake set; thence South 22°55'47" West 45.18 feet to an iron stake set; thence South 29°41'20" West 100.53 feet to an iron stake set; thence South 54°47'42" West 64.68 feet to an iron stake set; thence South 64°42'41" West 45.81 feet to an iron stake set; thence South 85°05'49" West 63.04 feet to an iron stake set; thence North 00°20'06" West 121.05 feet to an iron stake set; thence South 86°00'47" East 38.65 feet to an iron stake set; thence North 48°17'55" East 34.87 feet to an iron stake set; thence North 34°08'56" East 74.91 feet to an iron stake set; thence North 16°16'16" East 57.96 feet to an iron stake set; thence North 20°18'08" East 63.34 feet to an iron stake set; thence North 39°49'31" East 40.18 feet to an iron stake set; thence North 01°34'53" West 91.75 feet to an iron stake set; thence South 75°08'00" East 10.08 feet to an iron stake set; thence South 75°08'00" East 111.89 feet to an iron stake set (Point No. 105) which is the point of beginning, having an area of 1.28 acres.

**Section B on Tract 2-B**

All of the conservation easement Section B on Tract 2-B lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 122 and being the Southwestern most corner of the Conservation Easement Section B on Tract 2-B, and being located North 82°47'30" West 1185.55 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning, (Point No. 122), North 31°04'18" West 104.56 feet to an iron stake set; thence North 44°11'00" West 90.15 feet to an iron stake set; thence North 60°37'44" West 99.91 feet to an iron stake set; thence North 34°28'36" West 40.42 feet to an iron stake set; thence North 05°01'14" West 43.60 feet to an iron stake set; thence South 76°25'21" East 226.77 feet to an iron stake set; thence South 39°21'53" East 92.45 feet to an iron stake set; thence South 26°20'38" East 43.60 feet to an iron stake set; thence South 31°53'59" East 96.98 feet to an iron stake set; thence South 06°00'38" West 64.04 feet to an iron stake set; thence North 75°08'00" West 106.20 feet to an iron stake set; thence North 75°08'00" West 10.08 feet to an iron stake set (Point No. 122) which is the point of beginning, having an area of 1.00 acres.



### **Section C on Tract 2-B**

All of the conservation easement Section C on Tract 2-B lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 133 and being the Northeastern most corner of the Conservation Easement Section C on Tract 2-B, and being located North 84°09'07" West 2271.32 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning, (Point No. 133) South 15°30'31" West 90.97 feet to an iron stake set; thence South 12°35'33" West 84.18 feet to an iron stake set; thence South 05°33'32" East 23.96 feet to an iron stake set; thence South 11°37'50" East 33.63 feet to an iron stake set; thence South 83°22'46" West 116.52 feet to an iron stake set; thence North 03°44'36" West 31.65 feet to an iron stake set; thence North 07°30'08" West 39.86 feet to an iron stake set; thence North 10°42'03" East 110.28 feet to an iron stake set; thence North 16°52'57" East 78.15 feet to an iron stake set; thence South 86°23'57" East 61.40 feet to an iron stake set; thence South 78°46'53" East 42.90 feet to an iron stake set; thence South 78°46'53" East 10.25 feet to an iron stake set (Point No. 133) which is the point of beginning, having an area of 0.65 acres.

### **Section D on Tract 2-B**

All of the conservation easement Section D on Tract 2-B lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 144 and being the Southwestern most corner of the Conservation Easement Section D on Tract 2-B, and being located North 82°37'38" West 2373.00 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning (Point No. 144), North 11°33'27" East 47.83 feet to an iron stake set; thence North 30°10'11" East 46.44 feet to an iron stake set; thence South 87°50'04" East 133.41 feet to an iron stake set; thence South 02°59'15" East 30.19 feet to an iron stake set; thence South 46°18'14" West 63.62 feet to an iron stake set; thence South 06°39'45" West 24.92 feet to an iron stake set; thence North 78°46'53" West 10.25 feet to an iron stake set; thence North 78°46'53" West 60.52 feet to an iron stake set; thence North 86°23'57" West 49.60 feet to an iron stake set (Point No. 144) which is the point of beginning, having an area of 0.29 acres.

### **Section E on Tract 2-B**

All of the conservation easement Section E on Tract 2-B lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 161 and being the Northeastern most corner of the Conservation Easement Section E on Tract 2-B, and being located North 87°59'42" West 2878.25 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning (Point No. 161), South 27°11'58" East 38.19 feet to an iron stake set; thence South 56°13'33" East 67.76 feet to an iron stake set; thence South 70°53'43" East 29.33 feet to an iron stake set; thence South 55°30'24" East 59.70 feet to an iron stake set; thence South 03°20'06" East 33.80 feet to an iron stake set; thence South 26°26'21" East 30.46 feet to an iron stake set; thence South 05°36'10" West 52.56 feet to an iron stake set; thence South 10°48'07" West 21.34 feet to an iron stake set; thence South 06°28'50" West 34.76 feet to an iron stake set; thence North 84°24'33" West 112.21 feet to an iron stake set; thence North 02°03'59" East 31.35 feet to an iron stake set; thence North 05°22'46" East 37.72 feet to an iron stake set; thence North 51°28'51" West 45.15 feet to an iron stake set; thence North 39°54'22" West 23.28 feet to an iron stake set; thence North 58°17'28" West 58.63 feet to an iron stake set; thence North 37°58'50" West 36.23 feet to an iron stake set; thence North 30°07'07" West 52.85 feet to an iron stake set; thence North 62°43'26" East 115.65 feet to an iron stake set (Point No. 161) which is the point of beginning, having an area of 0.88 acres.

### Section F on Tract 2-B

All of the conservation easement Section F on Tract 2-B lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 179 and being the Southwestern most corner of the Conservation Easement Section f on Tract 2-B, and being located North 88°06'45" West 3011.94 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning (Point No. 179), North 29°16'00" West 44.16 feet to an iron stake set; thence North 10°31'42" West 66.70 feet to an iron stake set; thence North 21°25'02" West 60.06 feet to an iron stake set; thence North 22°59'44" West 38.49 feet to an iron stake set; thence North 31°43'47" West 33.22 feet to an iron stake set; thence North 20°56'49" West 55.69 feet to an iron stake set; thence North 34°01'01" West 34.26 feet to an iron stake set; thence North 26°23'31" East 20.94 feet to an iron stake set; thence South 87°50'04" East 146.32 feet to an iron stake set; thence South 10°35'52" West 32.39 feet to an iron stake set; thence South 27°58'55" East 44.63 feet to an iron stake set; thence South 01°04'04" West 22.52 feet to an iron stake set; thence South 43°46'18" East 22.88 feet to an iron stake set; thence South 35°21'39" East 37.52 feet to an iron stake set; thence South 35°21'39" East 26.80 feet to an iron stake set; thence South 08°23'14" East 31.80 feet to an iron stake set; thence South 10°46'28" West 45.77 feet to an iron stake set; thence South 30°06'00" East 27.40 feet to an iron stake set; thence South 62°43'26" West 118.89 feet to an iron stake set (Point No. 179) which is the point of beginning, having an area of 0.93 acres.

#### TOGETHER WITH:

1. A new 20-foot ingress, egress, regress and utility easement as shown on the plat of survey entitled "Final Plat, Conservation Easement Survey Across a Portion of Tract "2-B" (B.M. 2005, PG. 2119) for The State of North Carolina Ecosystem Enhancement Program, EEP Project ID #95713, SPO #92-AGZ, Pepperwood Farm Mitigation Site," dated November 13, 2013, by K2 Design Group, P.A., PLS No. 4194 and recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book of Maps BM2013, Pages 01597 and 01598.
2. A new 60-foot wide non-exclusive access easement for ingress, egress & regress shown as "Access Easement 1" on the plat of survey entitled "Final Plat, Conservation Easement

Survey Across a Portion of Tract "2-B" (B.M. 2005, PG. 2119) for The State of North Carolina Ecosystem Enhancement Program, EEP Project ID #95713, SPO #92-AGZ, Pepperwood Farm Mitigation Site, dated November 13, 2013, by K2 Design Group, P.A., PLS No. 4194 and recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book of Maps 2013, Pages 01597 and 01598.



WAKE COUNTY, NC 185  
 LAURA M RIDDICK  
 REGISTER OF DEEDS  
 PRESENTED & RECORDED ON  
 11/25/2013 AT 11:56:01  
 STATE OF NORTH CAROLINA  
 REAL ESTATE EXCISE TAX: \$240  
 BOOK:015513 PAGE:00157 - 00170

Prepared by and mail to: William B. Aycock II  
 Aycock & Aycock PLLC  
 301 N. Elm Street, Suite 400  
 Greensboro, NC 27401

STATE OF NORTH CAROLINA  
 WAKE COUNTY

DEED OF CONSERVATION EASEMENT  
 AND RIGHT OF ACCESS  
 PROVIDED PURSUANT TO  
 FULL DELIVERY MITIGATION CONTRACT

*NC Tru 240.00*  
 SPO File Number: 92-AGZ  
 EEP Project Number: 95713

Prepared by: Office of the Attorney General  
 Property Control Section  
 Return to: NC Department of Administration  
 State Property Office  
 1321 Mail Service Center  
 Raleigh, NC 27699-1321

**THIS DEED OF CONSERVATION EASEMENT AND RIGHT OF ACCESS**, made this 25<sup>th</sup> day of November, 2013, by **PEPPERWOOD FARM, LLC**, ("Grantor"), whose mailing address is 1200 Trillium Circle, Raleigh North Carolina 27606, to the **STATE OF NORTH CAROLINA**, ("Grantee"), whose mailing address is State of North Carolina, Department of Administration, State Property Office, 1321 Mail Service Center, Raleigh, NC 27699-1321. The designations of Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine, or neuter as required by context.

**WITNESSETH:**

NCEEP Full Delivery Conservation Easement Template adopted 5 July 2012  
 Page 1 of 13

**WHEREAS**, pursuant to the provisions of N.C. Gen. Stat. § 143-214.8 et seq., the State of North Carolina has established the Ecosystem Enhancement Program (formerly known as the Wetlands Restoration Program) within the Department of Environment and Natural Resources for the purposes of acquiring, maintaining, restoring, enhancing, creating and preserving wetland and riparian resources that contribute to the protection and improvement of water quality, flood prevention, fisheries, aquatic habitat, wildlife habitat, and recreational opportunities; and

**WHEREAS**, this Conservation Easement from Grantor to Grantee has been negotiated, arranged and provided for as a condition of a full delivery contract between Restoration Systems, LLC, 1101 Haynes Street, Suite 211, Raleigh, North Carolina, 27604, and the North Carolina Department of Environment and Natural Resources, to provide stream, wetland and/or buffer mitigation pursuant to the North Carolina Department of Environment and Natural Resources Purchase and Services Contract Number 004946.

**WHEREAS**, The State of North Carolina is qualified to be the Grantee of a Conservation Easement pursuant to N.C. Gen. Stat. § 121-35; and

**WHEREAS**, the Department of Environment and Natural Resources and the United States Army Corps of Engineers, Wilmington District entered into a Memorandum of Understanding, (MOU) duly executed by all parties on November 4, 1998. This MOU recognized that the Wetlands Restoration Program was to provide effective compensatory mitigation for authorized impacts to wetlands, streams and other aquatic resources by restoring, enhancing and preserving the wetland and riparian areas of the State; and

**WHEREAS**, the Department of Environment and Natural Resources, the North Carolina Department of Transportation and the United States Army Corps of Engineers, Wilmington District entered into a Memorandum of Agreement, (MOA) duly executed by all parties in Greensboro, NC on July 22, 2003, which recognizes that the Ecosystem Enhancement Program is to provide for compensatory mitigation by effective protection of the land, water and natural resources of the State by restoring, enhancing and preserving ecosystem functions; and

**WHEREAS**, the Department of Environment and Natural Resources, the U.S. Army Corps of Engineers, the U.S. Environmental Protection Agency, the U.S. Fish and Wildlife Service, the North Carolina Wildlife Resources Commission, the North Carolina Division of Water Quality, the North Carolina Division of Coastal Management, and the National Marine Fisheries Service entered into an agreement to continue the In-Lieu Fee operations of the North Carolina Department of Natural Resources' Ecosystem Enhancement Program with an effective date of 28 July, 2010, which supersedes and replaces the previously effective MOA and MOU referenced above; and

**WHEREAS**, the acceptance of this instrument for and on behalf of the State of North Carolina was granted to the Department of Administration by resolution as approved by the Governor and Council of State adopted at a meeting held in the City of Raleigh, North Carolina, on the 8<sup>th</sup> day of February 2000; and

**WHEREAS**, the Ecosystem Enhancement Program in the Department of Environment and Natural Resources, which has been delegated the authority authorized by the Governor and Council of State to the Department of Administration, has approved acceptance of this instrument; and

**WHEREAS**, Grantor owns in fee simple certain real property situated, lying, and being in Middle Creek Township, Wake County, North Carolina (the "**Property**"), and being more particularly described as those certain parcels of land containing approximately **118.49** acres and being conveyed to the Grantor by deeds as recorded in **Deed Book 11251 at Page 2354 and Deed Book 11251 at Page 2366** of the Wake County Registry, North Carolina; and

**WHEREAS**, Grantor is willing to grant a Conservation Easement and Right of Access over the herein described areas of the Property, thereby restricting and limiting the use of the areas of the Property subject to the Conservation Easement to the terms and conditions and purposes hereinafter set forth, and Grantee is willing to accept said Easement and Access Right. The Conservation Easement shall be for the protection and benefit of the waters of Terrible Creek and unnamed tributaries of the Neuse River Basin.

**NOW, THEREFORE**, in consideration of the mutual covenants, terms, conditions, and restrictions hereinafter set forth, Grantor unconditionally and irrevocably hereby grants and conveys unto Grantee, its successors and assigns, forever and in perpetuity, five (5) Conservation Easements along with general Rights of Access.

The Conservation Easement Area consists of the following individual tracts:

Conservation Easement Section "A" containing a total of 0.83 acres, Conservation Easement Section "B" containing a total of 1.71 acres, Conservation Easement Section "C" containing a total of 0.50 acres, Conservation Easement Section "D" containing a total of 2.63 acres and Conservation Easement Section "E" containing a total of 0.91 located in Tract "2-C" as shown on the plat of survey entitled "Final Plat, Conservation Easement Survey Across a Portion of Tract "2-C" (B.M. 2005, PG. 2119) for The State of North Carolina Ecosystem Enhancement Program, EEP Project ID #95713, SPO #92-AGZ, Pepperwood Farm Mitigation Site," dated November 13, 2013, by K2 Design Group, P.A., PLS No. 4194 and recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book of Maps 2013, Pages 01599 and 01600.

See attached "**Exhibit A**", Legal Description of area of the Property hereinafter referred to as the "**Conservation Easement Area**"

The purposes of this Conservation Easement are to maintain, restore, enhance, construct, create and preserve wetland and/or riparian resources in the Conservation Easement Area that contribute to the protection and improvement of water quality, flood prevention, fisheries, aquatic habitat, wildlife habitat, and recreational opportunities; to maintain permanently the Conservation Easement Area in its natural condition, consistent with these purposes; and to prevent any use of the Easement Area that will significantly impair or interfere with these purposes. To achieve these purposes, the following conditions and restrictions are set forth:



## I. DURATION OF EASEMENT

Pursuant to law, including the above referenced statutes, this Conservation Easement and Right of Access shall be perpetual and it shall run with, and be a continuing restriction upon the use of, the Property, and it shall be enforceable by the Grantee against the Grantor and against Grantor's heirs, successors and assigns, personal representatives, agents, lessees, and licensees.

## II. GRANTOR RESERVED USES AND RESTRICTED ACTIVITIES

The Conservation Easement Area shall be restricted from any development or usage that would impair or interfere with the purposes of this Conservation Easement. Unless expressly reserved as a compatible use herein, any activity in, or use of, the Conservation Easement Area by the Grantor is prohibited as inconsistent with the purposes of this Conservation Easement. Any rights not expressly reserved hereunder by the Grantor have been acquired by the Grantee. Any rights not expressly reserved hereunder by the Grantor, including the rights to all mitigation credits, including, but not limited to, stream, wetland, and riparian buffer mitigation units, derived from each site within the area of the Conservation Easement, are conveyed to and belong to the Grantee. Without limiting the generality of the foregoing, the following specific uses are prohibited, restricted, or reserved as indicated:

**A. Recreational Uses.** Grantor expressly reserves the right to undeveloped recreational uses, including hiking, bird watching, hunting and fishing, and access to the Conservation Easement Area for the purposes thereof.

**B. Motorized Vehicle Use.** Motorized vehicle use in the Conservation Easement Area is prohibited except within a Crossing Area(s) or Road or Trail as shown on the recorded survey plat or as specifically allowed within a fence maintenance zone as described in section D or a Road or Trail described in section H.

**C. Educational Uses.** The Grantor reserves the right to engage in and permit others to engage in educational uses in the Conservation Easement Area not inconsistent with this Conservation Easement, and the right of access to the Conservation Easement Area for such purposes including organized educational activities such as site visits and observations. Educational uses of the property shall not alter vegetation, hydrology or topography of the site.

**D. Damage to Vegetation.** Except within Crossing Area(s) as shown on the recorded survey plat and as related to the removal of non-native plants, diseased or damaged trees, or vegetation that destabilizes or renders unsafe the Conservation Easement Area to persons or natural habitat, all cutting, removal, mowing, harming, or destruction of any trees and vegetation in the Conservation Easement Area is prohibited with the following exception:

Notwithstanding the foregoing, if there is a fence within the Conservation Easement Area, the Grantor reserves the right to mow and maintain vegetation within 5 feet of the Conservation Easement boundary *as shown on the Survey Plat* and extending along the entire length of the fence. The Grantor, his successors or assigns shall be solely responsible for maintenance of the

fence for as long as there is livestock on the Grantor's property adjacent to the Conservation Easement Area.

**E. Industrial, Residential and Commercial Uses.** All industrial, residential and commercial uses are prohibited in the Conservation Easement Area.

**F. Agricultural Use.** All agricultural uses are prohibited within the Conservation Easement Area including any use for cropland, waste lagoons, or pastureland.

**G. New Construction.** There shall be no building, facility, mobile home, antenna, utility pole, tower, or other structure constructed or placed in the Conservation Easement Area.

**H. Roads and Trails.** There shall be no construction or maintenance of roads, trails, walkways, or paving in the Conservation Easement Area with the following exception:

Only roads and trails located within the Conservation Easement Area prior to completion of the construction of the restoration project and within crossings shown on the recorded survey plat may be maintained by Grantor, successors or assigns to allow for access to the interior of the Property, and must be repaired and maintained to prevent runoff and degradation to the Conservation Easement Area. Such roads and trails shall be covered with pervious materials such as loose gravel or permanent vegetation in order to minimize runoff and prevent sedimentation.

**I. Signs.** No signs shall be permitted in the Conservation Easement Area except interpretive signs describing restoration activities and the conservation values of the Conservation Easement Area, signs identifying the owner of the Property and the holder of the Conservation Easement, signs giving directions, or signs prescribing rules and regulations for the use of the Conservation Easement Area.

**J. Dumping or Storing.** Dumping or storage of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances, machinery, or any other material in the Conservation Easement Area is prohibited.

**K. Grading, Mineral Use, Excavation, Dredging.** There shall be no grading, filling, excavation, dredging, mining, drilling, hydraulic fracturing; removal of topsoil, sand, gravel, rock, peat, minerals, or other materials.

**L. Water Quality and Drainage Patterns.** There shall be no diking, draining, dredging, channeling, filling, leveling, pumping, impounding or diverting, causing, allowing or permitting the diversion of surface or underground water in the Conservation Easement Area. No altering or tampering with water control structures or devices, or disruption or alteration of the restored, enhanced, or created drainage patterns is allowed. All removal of wetlands, polluting or discharging into waters, springs, seeps, or wetlands, or use of pesticide or biocides in the Conservation Easement Area is prohibited. In the event of an emergency interruption or shortage of all other water sources, water from within the Conservation Easement Area may

temporarily be withdrawn for good cause shown as needed for the survival of livestock on the Property.

**M. Subdivision and Conveyance.** Grantor voluntarily agrees that no further subdivision, partitioning, or dividing of any portion of the Property owned by the Grantor in fee simple ("fee") and covered by any individual, numbered Conservation Easement tract subject to this Conservation Easement is allowed. Any future transfer of the Property or any portion thereof shall be subject to this Conservation Easement and Right of Access and to the Grantee's right of unlimited and repeated ingress and egress over and across the Property to the Conservation Easement Area for the purposes set forth herein.

**N. Development Rights.** All development rights are permanently removed from the and are non-transferrable.

**O. Disturbance of Natural Features.** Any change, disturbance, alteration or impairment of the natural features of the Conservation Easement Area or any intentional introduction of non-native plants, trees and/or animal species by Grantor is prohibited.

The Grantor may request permission to vary from the above restrictions for good cause shown, provided that any such request is not inconsistent with the purposes of this Conservation Easement, and the Grantor obtains advance written approval from the N.C. Ecosystem Enhancement Program, whose mailing address is 1652 Mail Services Center, Raleigh, NC 27699-1652.

### III. GRANTEE RESERVED USES

**A. Right of Access, Construction, and Inspection.** The Grantee, its employees and agents, successors and assigns, receive a perpetual Right of Access to the Conservation Easement Area over the Property at reasonable times to undertake any activities to restore, construct, manage, maintain, enhance, protect, and monitor the stream, wetland and any other riparian resources in the Conservation Easement Area, in accordance with restoration activities or a long-term management plan. Unless otherwise specifically set forth in this Conservation Easement, the rights granted herein do not include or establish for the public any access rights.

**B. Restoration Activities.** These activities include planting of trees, shrubs and herbaceous vegetation, installation of monitoring wells, utilization of heavy equipment to grade, fill, and prepare the soil, modification of the hydrology of the site, and installation of natural and manmade materials as needed to direct in-stream, above ground, and subterranean water flow.

**C. Signs.** The Grantee, its employees and agents, successors or assigns, shall be permitted to place signs and witness posts on the Property to include any or all of the following: describe the project, prohibited activities within the Conservation Easement, or identify the project boundaries and the holder of the Conservation Easement.

**D. Fences.** The Grantee, its employees and agents, successors or assigns, shall be permitted to place fencing on the Property within the Conservation Easement Area to restrict livestock access. Although the Grantee is not responsible for fence maintenance, the Grantee reserves the



right to maintain, repair or replace the fence at the sole discretion of the Grantee and at the expense of the Grantor, who agrees to indemnify the Grantee for any costs incurred as a result of maintenance, repair or replacement of the fence if such costs are required to protect the Conservation Easement Area from repeated incidents of grazing or other prohibited activities.

**E. Crossing Area(s).** The Grantee is not responsible for maintenance of crossing area(s), however, the Grantee, its employees and agents, successors or assigns, reserve the right to repair crossing area(s), at its sole discretion and to recover the cost of such repairs from the Grantor if such repairs are needed as a result of activities of the Grantor, his successors or assigns.

#### **IV. ENFORCEMENT AND REMEDIES**

**A. Enforcement.** To accomplish the purposes of this Conservation Easement, Grantee is allowed to prevent any activity within the Conservation Easement Area that is inconsistent with the purposes of this Conservation Easement and to require the restoration of such areas or features in the Conservation Easement Area that may have been damaged by such unauthorized activity or use. Upon any breach of the terms of this Conservation Easement by Grantor, the Grantee shall, except as provided below, notify the Grantor in writing of such breach and the Grantor shall have ninety (90) days after receipt of such notice to correct the damage caused by such breach. If the breach and damage remains uncured after ninety (90) days, the Grantee may enforce this Conservation Easement by bringing appropriate legal proceedings including an action to recover damages, as well as 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 Conservation Easement Area 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, injunctive or other appropriate relief, if the breach is or would irreversibly or otherwise materially impair the benefits to be derived from this Conservation Easement, and the Grantor and Grantee acknowledge that the damage would be irreparable and remedies at law 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. Inspection.** The Grantee, its employees and agents, successors and assigns, have the right, with reasonable notice, to enter the Conservation Easement Area over the Property at reasonable times for the purpose of inspection to determine whether the Grantor is 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 Conservation Easement Area caused by third parties, 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 or damage to the Property resulting from such causes.

**D. Costs of Enforcement.** Beyond regular and typical monitoring expenses, 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 Easement shall be at the discretion of the Grantee and any forbearance, delay or omission by Grantee to exercise its rights hereunder in the event of any breach of any term set forth herein shall not be construed to be a waiver by Grantee.

## V. MISCELLANEOUS

**A.** 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 the 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.

**B.** Grantor is responsible for any real estate taxes, assessments, fees, or charges levied upon the Property. Grantee shall not be responsible for any costs or liability of any kind related to the ownership, operation, insurance, upkeep, or maintenance of the Property, except as expressly provided herein. Upkeep of any constructed bridges, fences, or other amenities on the Property are the sole responsibility of the Grantor. Nothing herein shall relieve the Grantor of the obligation to comply with federal, state or local laws, regulations and permits that may apply to the exercise of the Reserved Rights.

**C.** Any notices shall be sent by registered or certified mail, return receipt requested to the parties at their addresses shown herein or to other addresses as either party establishes in writing upon notification to the other.

**D.** Grantor shall notify Grantee in writing of the name and address and any party to whom the Property or any part thereof is to be transferred at or prior to the time said transfer is made. Grantor further agrees that any subsequent lease, deed, or other legal instrument by which any interest in the Property is conveyed is subject to the Conservation Easement herein created.

**E.** The Grantor and Grantee agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interests in the Property or any portion thereof.

**F.** This Conservation Easement and Right of Access may be amended, but only in writing signed by all parties hereto, or their successors or assigns, if such amendment does not affect the qualification of this Conservation Easement or the status of the Grantee under any applicable laws, and is consistent with the purposes of the Conservation Easement. The owner of the Property shall notify the State Property Office and the U.S. Army Corps of Engineers in writing sixty (60) days prior to the initiation of any transfer of all or any part of the Property or of any request to void or modify this Conservation Easement. Such notifications and modification requests shall be addressed to:

Ecosystem Enhancement Program Manager  
State Property Office  
1321 Mail Service Center  
Raleigh, NC 27699-1321

and

General Counsel  
US Army Corps of Engineers  
69 Darlington Avenue  
Wilmington, NC 28403

**G.** The parties 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 holder under N.C. Gen. Stat. § 121-34 et seq. and § 170(h) of the Internal Revenue Code, and the 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 in perpetuity the conservation purposes described in this document.

## **VI. QUIET ENJOYMENT**

Grantor reserves all remaining rights accruing from ownership of the Property, including the right to engage in or permit or invite others to engage in only those uses of the Conservation Easement Area that are expressly reserved herein, not prohibited or restricted herein, and are not inconsistent with the purposes of this Conservation Easement. Without limiting the generality of the foregoing, the Grantor expressly reserves to the Grantor, and the Grantor's invitees and licensees, the right of access to the Conservation Easement Area, and the right of quiet enjoyment of the Conservation Easement Area,

**TO HAVE AND TO HOLD**, the said rights and easements perpetually unto the State of North Carolina for the aforesaid purposes,

**AND** Grantor covenants that Grantor is seized of said premises in fee and has the right to convey the permanent Conservation Easement herein granted; that the same is free from encumbrances and that Grantor will warrant and defend title to the same against the claims of all persons whomsoever.



IN TESTIMONY WHEREOF, the Grantor has hereunto set his hand and seal, the day and year first above written.

PEPPERWOOD FARM, LLC

By: Charles E. Douthit  
Name: Charles E. Douthit  
Title: member

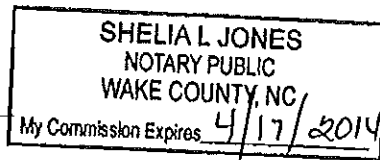
NORTH CAROLINA  
COUNTY OF Wake

I, Shelia L. Jones, a Notary Public in and for the County and State aforesaid, do hereby certify that Charles E. Douthit, Grantor, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and Notary Seal this the 25<sup>th</sup> day of November, 2013

Shelia L. Jones  
Notary Public

My commission expires:  
4-17-2014



**EXHIBIT "A"**  
**CONSERVATION EASEMENT ON TRACT 2-C**

**Section A on Tract 2-C**

All of the conservation easement Section A on Tract 2-C lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 1 and being the Northeastern most corner of the Conservation Easement Section A on Tract 2-C, and being located South 61°57'30" West 181.25 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning, (Point No. 1), South 19°25'33" East 44.91 feet to an iron stake set; thence South 15°30'12" East 64.49 feet to an iron stake set; thence South 01°56'59" East 55.85 feet to an iron stake set; thence South 01°23'20" West 53.81 feet to an iron stake set; thence South 08°09'31" West 96.25 feet to an iron stake set; thence South 12°08'19" West 18.69 feet to an iron stake set; thence North 76°00'56" West 114.10 feet to an iron stake set; thence North 08°37'32" East 97.72 feet to an iron stake set; thence North 01°01'43" East 81.82 feet to an iron stake set; thence North 17°43'24" West 123.74 feet to an iron stake set; thence North 88°08'59" East 10.40 feet to an iron stake; thence North 88°08'59" East 106.75 feet to an iron stake set (Point No. 1) which is the point of beginning, having an area of 0.83 acres.

**Section B on Tract 2-C**

All of the conservation easement Section B on Tract 2-C lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 12 and being the Northeastern most corner of the Conservation Easement Section B on Tract 2-C, and being located South 18°30'47" West 497.17 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning, (Point No. 12), South 13°47'27" West 44.59 feet to an iron stake set; thence South 15°07'39" West 30.15 feet to an iron stake set; thence South 22°04'30" West 38.23 feet to an iron stake set; thence South 12°01'02" West 72.90 feet to an iron stake set; thence South 09°13'58" West 84.69 feet to an iron stake set; thence South 15°10'07" West 67.93 feet to an iron stake set; thence South 04°31'27" East 40.45 feet to an iron stake set; thence South 07°47'30" West 94.91 feet to an iron stake set; thence South 13°27'54" West 64.80 feet to an iron stake set; thence South 09°08'47" West 52.42 feet to an iron stake set; thence South 01°27'56" West 71.04 feet to an iron stake set; thence North 62°36'05" West 43.49 feet to an iron stake set; thence North 37°18'26" West 112.64 feet to an iron stake set; thence North 09°38'59" East 74.80 feet to an iron stake set; thence North 08°46'21" East 72.85 feet to an iron stake set; thence North 00°03'28" West 108.69 feet to an iron stake set; thence North 18°07'13" East 56.89 feet to an iron stake set; thence North 09°13'58" East 82.24 feet to an iron stake set; thence North 13°13'56" East 72.61 feet to an iron stake set; thence North 28°29'12" East 49.64 feet to an iron stake set; thence North 14°15'03" East 64.39 feet to an iron stake set; thence South 76°00'56" East 114.01 feet to an iron stake set (Point No. 12) which is the point of beginning, having an area of 1.71 acres.

### Section C on Tract 2-C

All of the conservation easement Section C on Tract 2-C lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 34 and being the Northeastern most corner of the Conservation Easement Section C on Tract 2-C, and being located South 87°37'26" East 903.63 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning, (Point No. 34), South 11°06'33" West 30.95 feet to an iron stake set; thence South 14°57'54" West 65.35 feet to an iron stake set; thence South 11°18'28" West 38.75 feet to an iron stake set; thence South 08°18'41" East 28.69 feet to an iron stake set; thence South 74°57'01" West 112.78 feet to an iron stake set; thence North 08°18'41" West 61.29 feet to an iron stake set; thence North 10°39'52" East 98.64 feet to an iron stake set; thence North 14°29'58" East 56.83 feet to an iron stake set; thence North 88°07'18" East 10.42 feet to an iron stake set; thence North 88°07'18" East 9.68 feet to an iron stake set; thence South 75°15'01" East 94.60 feet to an iron stake set (Point No. 34) which is the point of beginning, having an area of 0.50 acres.

### Section D on Tract 2-C

All of the conservation easement Section D on Tract 2-C lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 44 and being the Northeastern most corner of the Conservation Easement Section D on Tract 2-C, and being located South 73°53'42" East 924.29 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning, (Point No. 44), South 15°19'17" East 34.21 feet; thence South 10°29'33" West 28.94 feet to an iron stake set; thence South 19°28'37" East 39.55 feet to an iron stake set; thence South 12°58'07" East 29.46 feet to an iron stake set; thence South 05°38'20" East 34.60 feet to an iron stake set; thence South 07°26'40" West 118.54 feet to an iron stake set; thence South 02°57'18" West 28.63 feet to an iron stake set; thence South 07°50'41" West 59.79 feet to an iron stake set; thence South 19°35'56" West 20.57 feet to an iron stake set; thence South 14°20'33" East 53.98 feet to an iron stake set; thence South 10°31'15" East 31.57 feet to an iron stake set; thence South 02°20'20" West 74.79 feet to an iron stake set; thence South 11°09'32" West 46.00 feet to an iron stake set; thence South 25°22'10" West 28.65 feet to an iron stake set; thence South 28°25'50" West 50.89 feet to an iron stake set; thence South 22°47'23" West 43.88 feet to an iron stake set; thence South 12°01'17" East 57.73 feet to an iron stake set; thence South 02°51'48" West 54.08 feet to an iron stake set; thence South 04°36'52" East 30.28 feet to an iron stake set; thence South 00°52'38" East 37.35 feet to an iron stake set; thence South 15°04'43" East 38.55 feet to an iron stake set; thence South 02°42'38" West 76.72 feet to an iron stake set; thence South 89°44'56" West 112.14 feet to an iron stake set; thence North 03°33'35" West 32.18 feet to an iron stake set; thence North 06°15'57" East 36.99 feet to an iron stake set; thence North 16°45'45" West 32.66 feet to an iron stake set; thence North 05°21'53" West 69.89 feet to an iron stake set; thence North 07°00'31" East 39.99 feet to an iron stake set; thence North 26°35'43" West 19.52 feet to an iron stake set; thence North 06°51'47" East 30.93 feet to an iron stake set; thence North 10°25'52" West 42.72 feet to an iron stake set; thence North 14°56'50" East 57.59 feet to an iron stake set; thence North 25°10'06" East 44.93 feet to an iron stake set; thence North 32°11'38" East 50.83 feet to an iron stake set; thence North 05°49'19" East 53.09 feet to an iron stake set; thence North



06°53'38" West 36.59 feet to an iron stake set; thence North 11°17'40" West 67.64 feet to an iron stake set; thence North 02°49'55" East 34.29 feet to an iron stake set; thence North 10°26'26" East 61.23 feet to an iron stake set; thence North 11°27'14" West 12.63 feet to an iron stake set; thence North 14°34'24" East 34.52 feet to an iron stake set; thence North 07°33'12" East 98.86 feet to an iron stake set; thence North 15°34'41" West 62.14 feet to an iron stake set; thence North 11°58'13" West 38.65 feet to an iron stake set; thence North 03°47'55" East 33.92 feet to an iron stake set; thence North 74°57'01" East 112.00 feet to an iron stake set (Point No. 34) which is the point of beginning, having an area of 2.63 acres.

### Section E on Tract 2-C

All of the conservation easement Section E on Tract 2-C lying and being situated in Middle Creek Township, Wake County, North Carolina and particularly described as follows (all distances are ground distances unless otherwise noted):

Beginning at an iron stake (Point of Beginning) labeled as Point No. 90 and being the Northeastern most corner of the Conservation Easement Section E on Tract 2-C, and being located South 33°16'38" East 924.29 feet from an iron pipe (Point No. 502) with N.C. Grid Coordinates N=679,379.4975', E=2,086,188.0651' and said pipe being on the Northern property line of Tract 2-C, B.M. 2005, PG. 2119.

Thence from the Point of Beginning, (Point No. 90), South 12°33'33" East 46.99 feet to an iron stake set; thence South 13°28'49" West 27.27 feet to an iron stake set; thence South 09°40'17" East 29.06 feet to an iron stake set; thence South 12°22'16" West 59.41 feet to an iron stake set; thence South 01°08'32" East 39.61 feet to an iron stake set; thence South 03°02'52" West 45.13 feet to an iron stake set; thence South 07°42'32" West 75.98 feet to an iron stake set; thence South 65°21'37" West 10.49 feet to an iron stake set; thence South 69°20'15" West 117.87 feet to an iron stake set; thence North 07°14'38" East 145.80 feet to an iron stake set; thence North 00°59'15" East 93.80 feet to an iron stake set; thence North 16°29'08" East 33.75 feet to an iron stake set; thence North 08°25'44" West 45.32 feet to an iron stake set; thence North 03°14'48" West 48.96 feet to an iron stake set; thence North 89°44'56" East 115.45 feet to an iron stake set (Point No. 90) which is the point of beginning, having an area of 0.91 acres.

TOGETHER WITH:

1. A new 20-foot ingress, egress, regress and utility easement as shown on the plat of survey entitled "Final Plat, Conservation Easement Survey Across a Portion of Tract "2-C" (B.M. 2005, PG. 2119) for The State of North Carolina Ecosystem Enhancement Program, EEP Project ID #95713, SPO #92-AGZ, Pepperwood Farm Mitigation Site," dated November 13, 2013, by K2 Design Group, P.A., PLS No. 4194 and recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book of Maps 2013, Pages 01599 and 01600.
2. New 60-foot wide non-exclusive access easements for ingress, egress & regress, shown as Access Easements 1, 2 and 3 on the plat of survey entitled "Final Plat, Conservation Easement Survey Across a Portion of Tract "2-C" (B.M. 2005, PG. 2119) for The State of North Carolina Ecosystem Enhancement Program, EEP Project ID #95713, SPO #92-AGZ, Pepperwood Farm Mitigation Site, dated November 13, 2013, by K2 Design Group, P.A., PLS No. 4194 and recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book of Maps 2013, Pages 01599 and 01600.

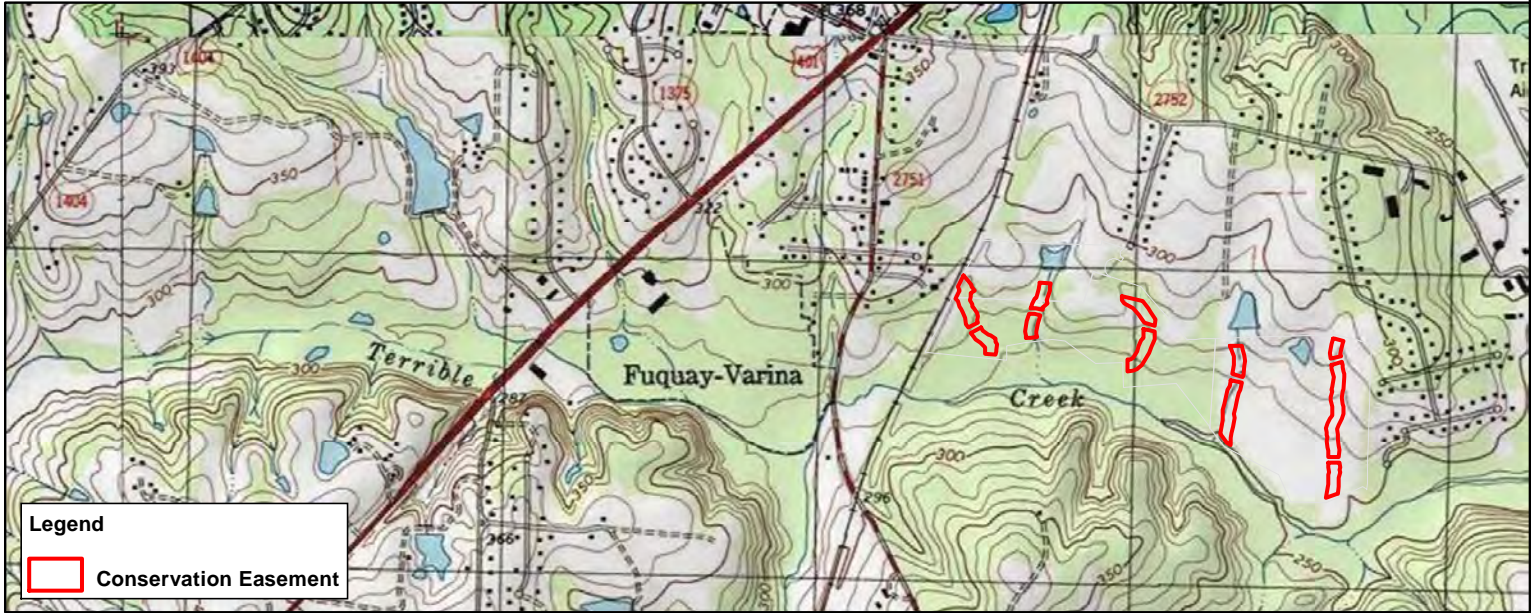
## APPENDIX D

### PROJECT PLAN SHEETS

- Plan Sheet A. Title Page
- Plan Sheet B. Boundary Plan
- Plan Sheet C. Mitigation Plan
- Plan Sheet D. Planting Plan
- Plan Sheet E. Credit Determination

# PEPPERWOOD FARM RIPARIAN BUFFER MITIGATION SITE MITIGATION PLAN SHEETS

WAKE COUNTY, NORTH CAROLINA



## PROJECT DESCRIPTION

The Pepperwood Farm Riparian Buffer Mitigation Site (Site) is designed specifically to assist in fulfilling the North Carolina Ecosystem Enhancement Program riparian buffer restoration goals. The Site is located approximately 1 mile northeast of Willow Springs and 4 miles northeast of Fuquay-Varina, in Wake County North Carolina and within the Targeted Local Watershed 03020201120010 of the Neuse River Basin. The Site encompasses 12.66 acres of agricultural land and has been historically used for livestock grazing and hay fields. 10.8 Riparian buffer mitigation units (RBMUs) are being produced. The Site encompasses five unnamed tributaries, and is characterized by a high density horse boarding facility, fallow fields, and hay fields. The Site has been cleared of native forest vegetation; streams have been impacted by straightening, continual maintenance, and hoof shear. The five unnamed hydrologic features of the Site are direct tributaries to Terrible Creek, Stream Index Number 27-43-15-8-(2) and a Best Usage Classification of C, NSW (NC DWQ 2009). Construction activities will improve water quality, enhance flood attenuation, and restore wildlife habitat within the TLW. Site streams will become stabilized and hydrologic connectivity to adjacent floodplains will be reintroduced.

## PROJECT LOCATION

Directions Via Raleigh, North Carolina:

- Travel South on Highway 401 for approximately 12 miles
- Take a left onto Air Park Road (gas station on corner)
- Travel approximately 0.6 miles, turn right on Dunallie Dr.
- Entrance to Pepperwood Farm is located at the end of Dunallie Dr.
- 35.617249°N, -78.715332°W (NAD83/WGS84)

Type of Work: Riparian Buffer Restoration

- Site Preparation
- Fencing & Easement Marking
- Site Stabilization
- Marsh Treatment Insulation
- Vegetation Planting

Index of Sheets

- A: Title Page
- B: Construction
- C: Planting
- D: Monitoring

Firm Name & POC

Raymond Holz - 919.334.9122  
1101 Haynes Street, Suite 211  
Raleigh, NC 27604



**RESTORATION SYSTEMS, LLC**  
1101 HAYNES ST, SUITE 211  
RALEIGH, NC 27604  
PHONE : 919.755.9490  
FAX : 919.755.9492

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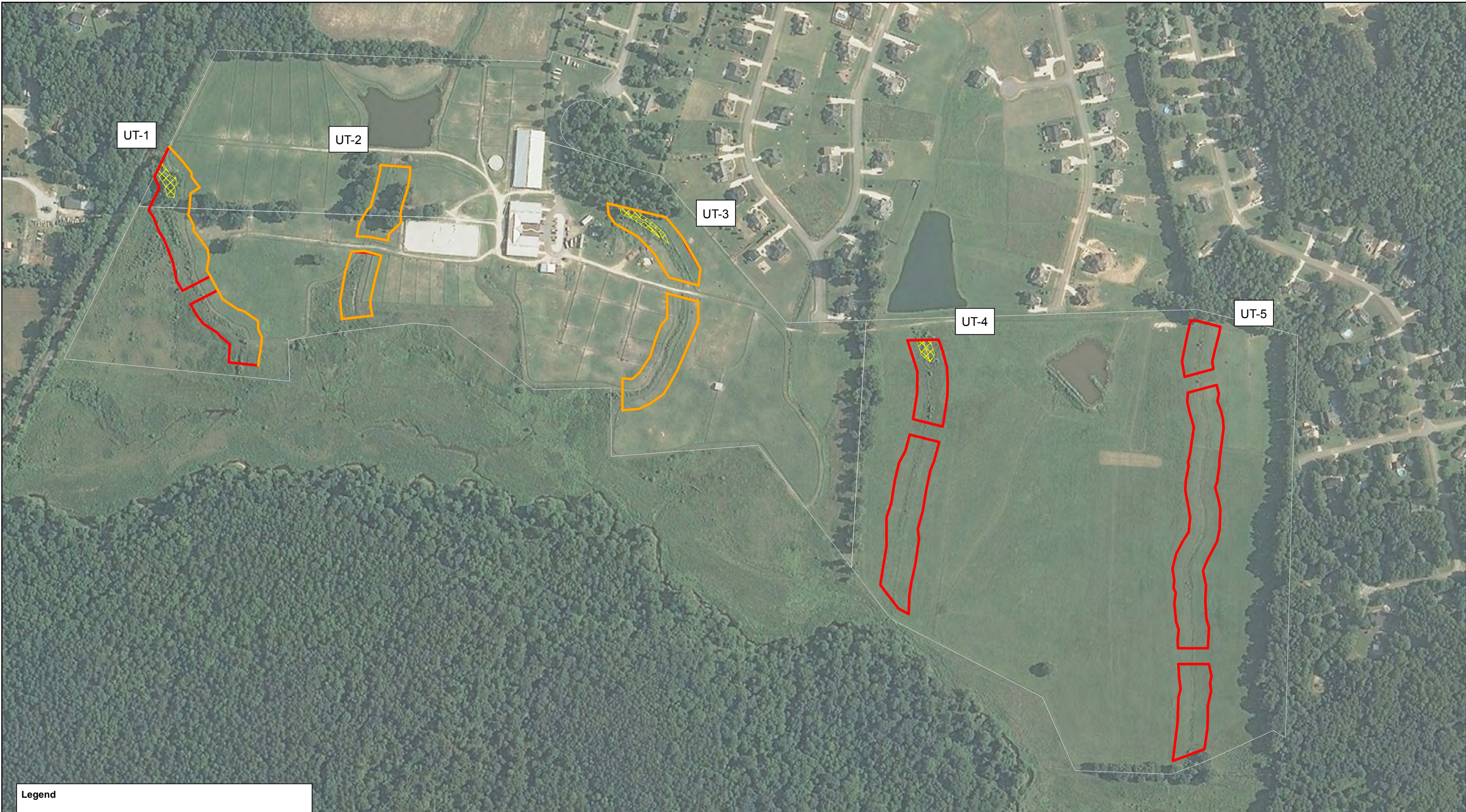
SCALE:
DATE: Nov - 2013
PROJECT: PW

## SHEET A: TITLE PAGE

**Pepperwood Farm Riparian Buffer Mitigation Site**  
RFP # 16-004362 EEP Project ID 95713  
Contract # 004946 SPO # 92-AGZ  
Wake County, North Carolina

Aerial Imagery: USGS Topographical Map  
COORDINATE SYSTEM: NAD 1983 NC FEET





UT-1





UT-2

UT-3

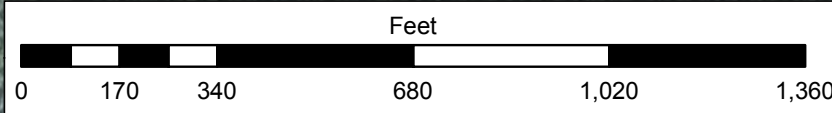
UT-4

UT-5

**Legend**

-  Easement to be Fenced
-  Easement to be Marked PER NC EEP RFP #16-004362
-  High Value Forest - 0.30 Acres
-  Pepperwood Farm LLC Parcel - Wake County NC

SEE APPENDIX D FOR CONSERVATION EASEMENT SURVEY




**RESTORATION SYSTEMS, LLC**  
 1101 HAYNES ST, SUITE 211  
 RALEIGH, NC 27604  
 PHONE : 919.755.9490  
 FAX : 919.755.9492

SCALE: 1 inch = 333 feet  
 DATE: NOV - 2013  
 PROJECT: P-WOOD

**PLAN SHEET B:  
 BOUNDARY PLAN**

Pepperwood Farm Riparian Buffer Mitigation Site  
 RFP # 16-004362    EEP Project ID 95713  
 Contract # 004946    SPO # 92-AGZ  
 Wake County, North Carolina

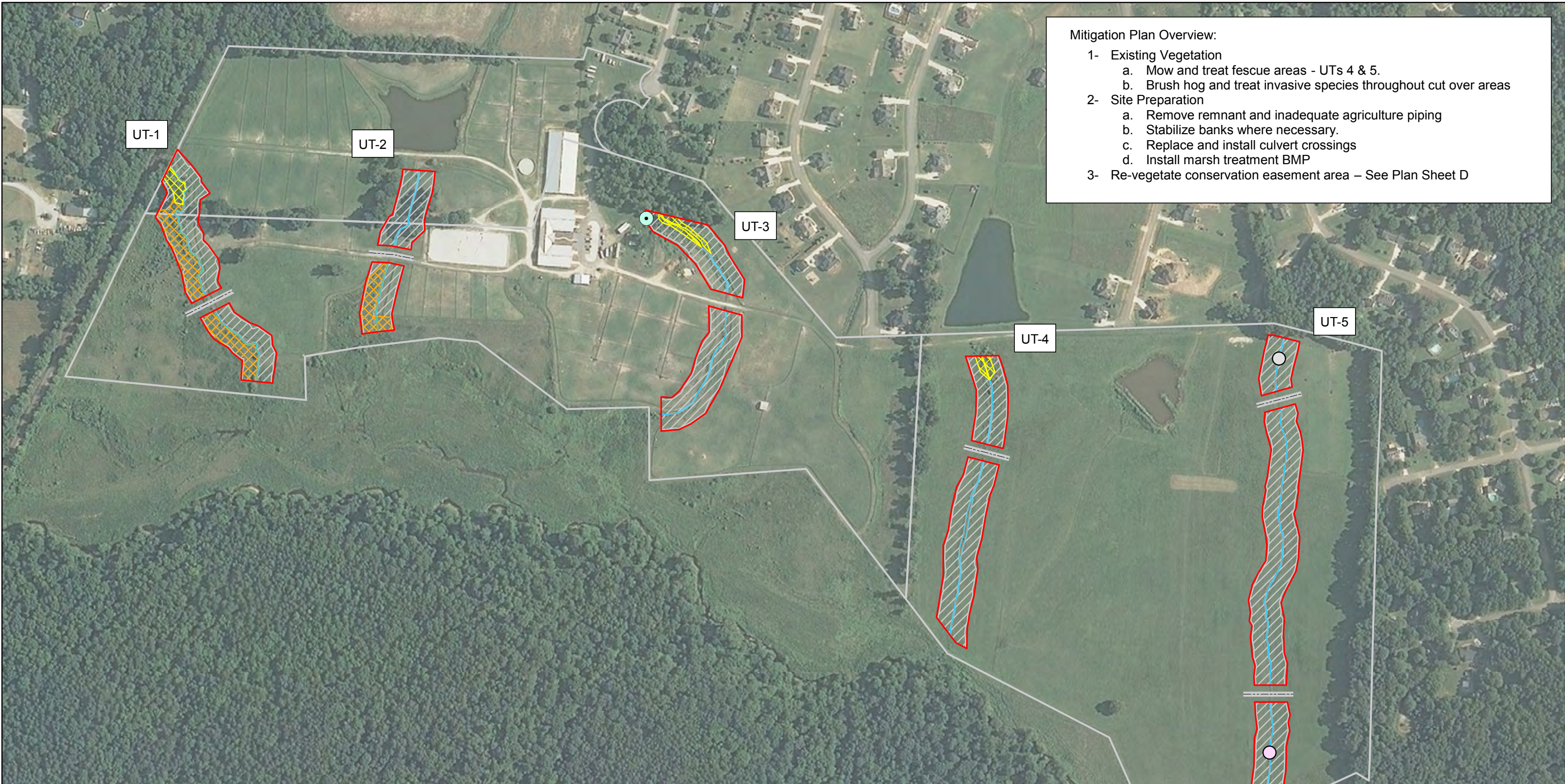
Figure illustrates easements boundaries which will be fenced and those that will be marked per EEP specifications.

Aerial Imagery: ESRI, i-cubed, USDA FSA, USGS  
 COORDINATE SYSTEM: NAD 1983 NC FEET

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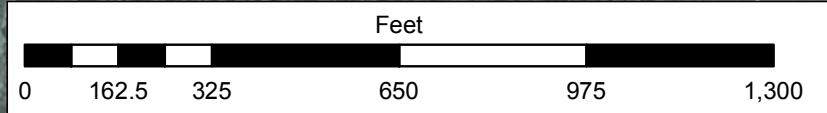


- Mitigation Plan Overview:
- 1- Existing Vegetation
    - a. Mow and treat fescue areas - UTs 4 & 5.
    - b. Brush hog and treat invasive species throughout cut over areas
  - 2- Site Preparation
    - a. Remove remnant and inadequate agriculture piping
    - b. Stabilize banks where necessary.
    - c. Replace and install culvert crossings
    - d. Install marsh treatment BMP
  - 3- Re-vegetate conservation easement area – See Plan Sheet D



**Legend**

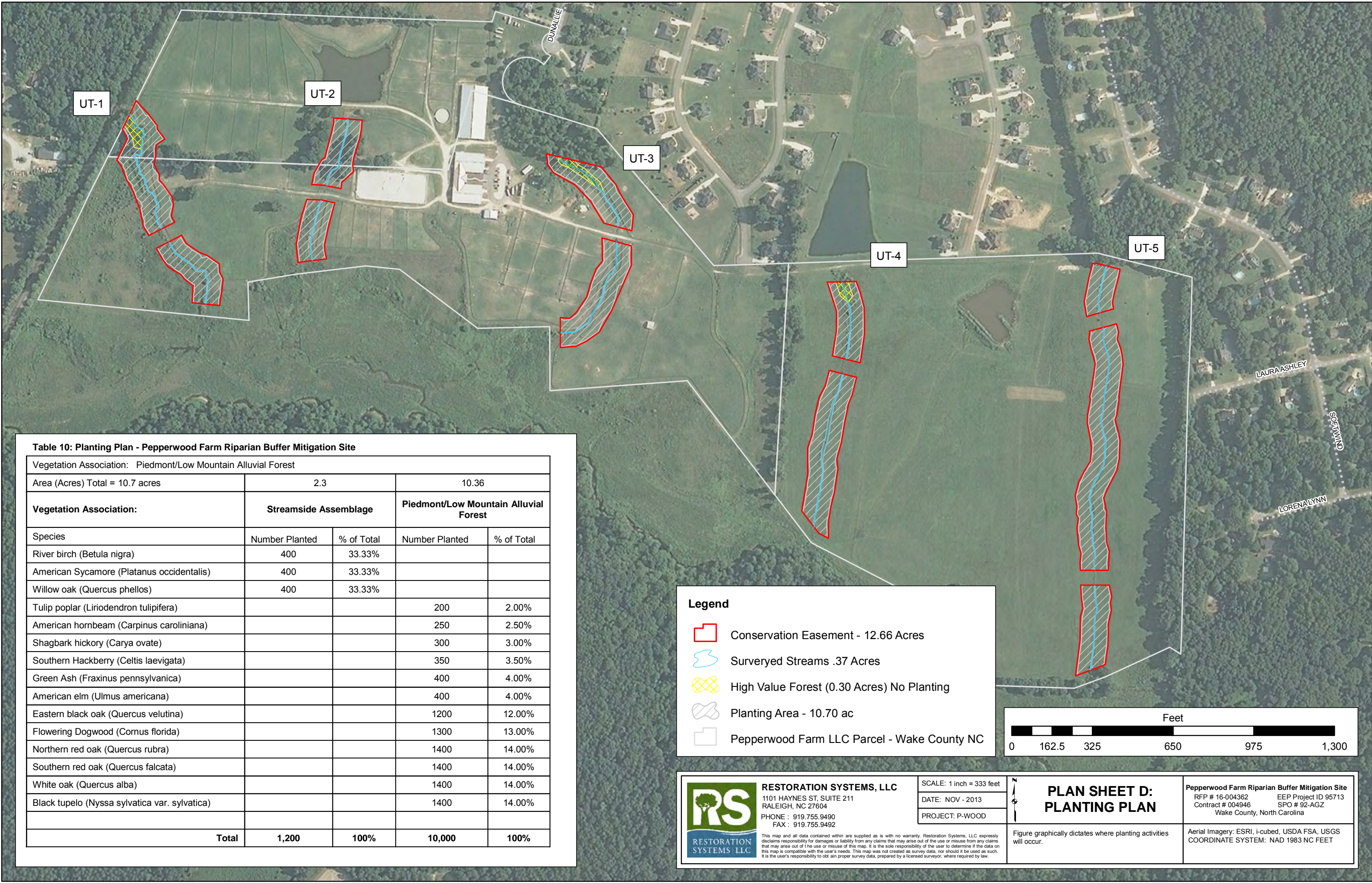
Crossings to be Replaced or Installed	Conservation Easement - 12.66 Acres
<b>Field Survey Points</b>	High Value Forest - 0.30 Acres
<b>Comment</b>	Surveyed Streams - .37 Acres
UT-5 N Pipe to be Removed	Buffer Restoration 1.26 Acres
UT-5 S Pipe to be Removed	Fescue Treatment & Buffer Restoration 9.44 Acres
Marsh Wetland Treatment Area	Pepperwood Farm LLC Parcel - Wake County NC



<b>RESTORATION SYSTEMS, LLC</b> 1101 HAYNES ST, SUITE 211 RALEIGH, NC 27604 PHONE : 919.755.9490 FAX : 919.755.9492	SCALE: 1 inch = 333 feet	<b>PLAN SHEET C: MITIGATION PLAN</b>	Pepperwood Farm Riparian Buffer Mitigation Site RFP # 16-004362      EEP Project ID 95713 Contract # 004946      SPO # 92-AGZ Wake County, North Carolina
	DATE: NOV - 2013		Aerial Imagery: ESRI, i-cubed, USDA FSA, USGS COORDINATE SYSTEM: NAD 1983 NC FEET
	PROJECT: P-WOOD		Figure graphically dictates where mitigation activities will occur.

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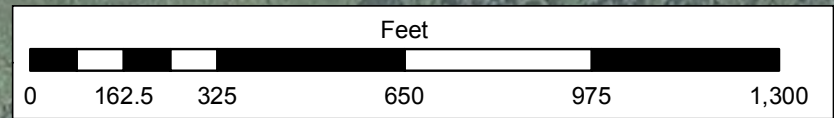


**Table 10: Planting Plan - Pepperwood Farm Riparian Buffer Mitigation Site**

Vegetation Association: Piedmont/Low Mountain Alluvial Forest				
Area (Acres) Total = 10.7 acres	2.3		10.36	
<b>Vegetation Association:</b>	<b>Streamside Assemblage</b>		<b>Piedmont/Low Mountain Alluvial Forest</b>	
Species	Number Planted	% of Total	Number Planted	% of Total
River birch ( <i>Betula nigra</i> )	400	33.33%		
American Sycamore ( <i>Platanus occidentalis</i> )	400	33.33%		
Willow oak ( <i>Quercus phellos</i> )	400	33.33%		
Tulip poplar ( <i>Liriodendron tulipifera</i> )			200	2.00%
American hornbeam ( <i>Carpinus caroliniana</i> )			250	2.50%
Shagbark hickory ( <i>Carya ovata</i> )			300	3.00%
Southern Hackberry ( <i>Celtis laevigata</i> )			350	3.50%
Green Ash ( <i>Fraxinus pennsylvanica</i> )			400	4.00%
American elm ( <i>Ulmus americana</i> )			400	4.00%
Eastern black oak ( <i>Quercus velutina</i> )			1200	12.00%
Flowering Dogwood ( <i>Cornus florida</i> )			1300	13.00%
Northern red oak ( <i>Quercus rubra</i> )			1400	14.00%
Southern red oak ( <i>Quercus falcata</i> )			1400	14.00%
White oak ( <i>Quercus alba</i> )			1400	14.00%
Black tupelo ( <i>Nyssa sylvatica</i> var. <i>sylvatica</i> )			1400	14.00%
<b>Total</b>	<b>1,200</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>

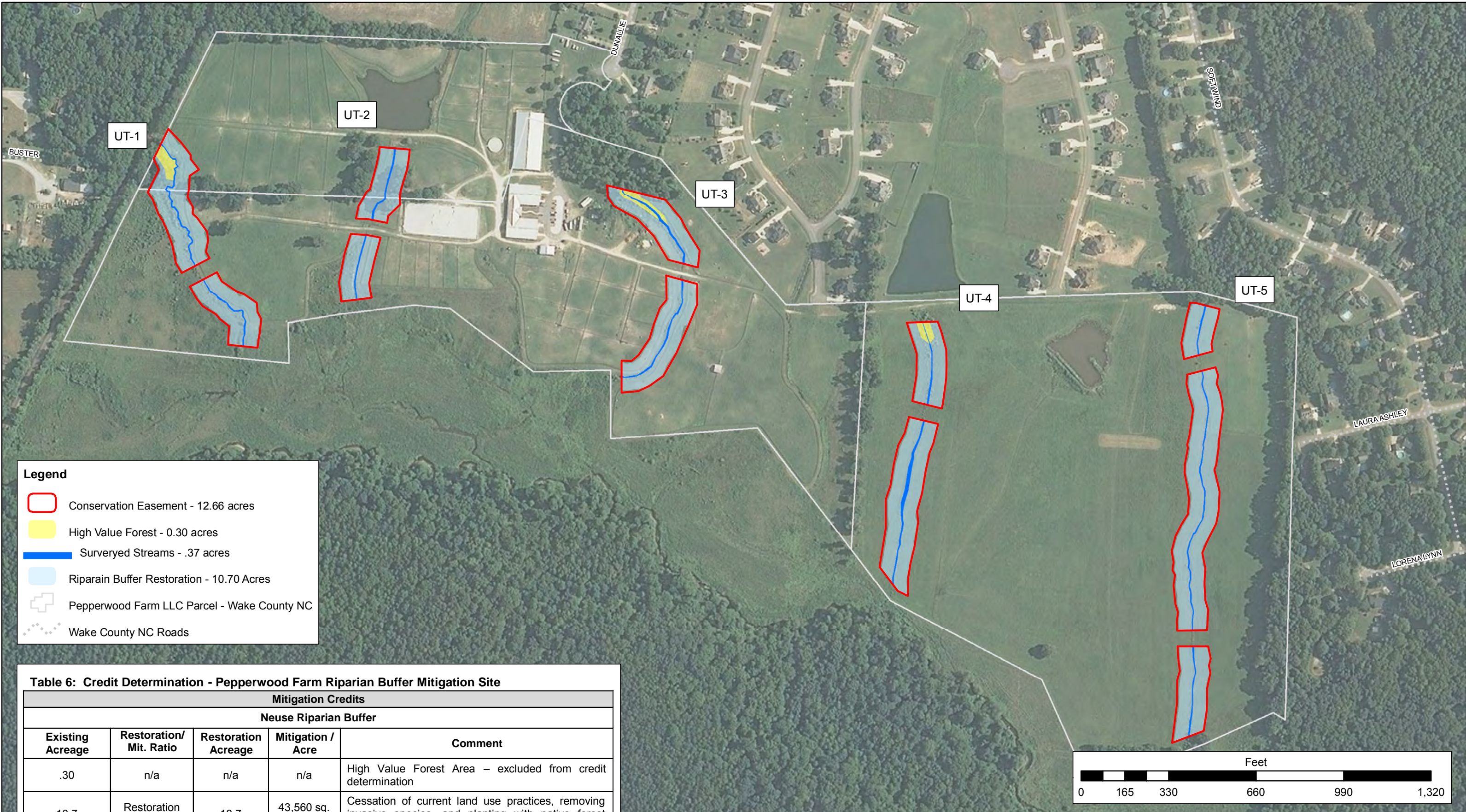
**Legend**

- Conservation Easement - 12.66 Acres
- Surveyed Streams .37 Acres
- High Value Forest (0.30 Acres) No Planting
- Planting Area - 10.70 ac
- Pepperwood Farm LLC Parcel - Wake County NC



<p><b>RESTORATION SYSTEMS, LLC</b>          1101 HAYNES ST, SUITE 211          RALEIGH, NC 27604          PHONE : 919.755.9490          FAX : 919.755.9492</p>	SCALE: 1 inch = 333 feet DATE: NOV - 2013 PROJECT: P-WOOD	<p><b>PLAN SHEET D: PLANTING PLAN</b></p>	<p><b>Pepperwood Farm Riparian Buffer Mitigation Site</b>          RFP # 16-004362    EEP Project ID 95713          Contract # 004946    SPO # 92-AGZ          Wake County, North Carolina</p>
	<p><small>This map and all data contained within are supplied as is with no warranty. Restoration Systems, LLC expressly disclaims responsibility for damages or liability from any claims that may arise out of the use or misuse of any claims that may arise out of the use or misuse of this map. It is the sole responsibility of the user to determine if the data on this map is compatible with the user's needs. This map was not created as survey data, nor should it be used as such. It is the user's responsibility to obtain proper survey data, prepared by a licensed surveyor, where required by law.</small></p>		



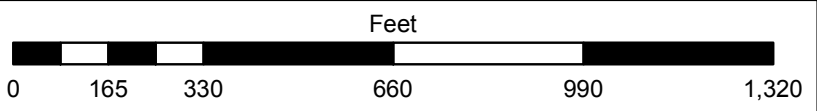


**Legend**

- Conservation Easement - 12.66 acres
- High Value Forest - 0.30 acres
- Surveyed Streams - .37 acres
- Riparian Buffer Restoration - 10.70 Acres
- Pepperwood Farm LLC Parcel - Wake County NC
- Wake County NC Roads

**Table 6: Credit Determination - Pepperwood Farm Riparian Buffer Mitigation Site**

Mitigation Credits				
Neuse Riparian Buffer				
Existing Acreage	Restoration/ Mit. Ratio	Restoration Acreage	Mitigation / Acre	Comment
.30	n/a	n/a	n/a	High Value Forest Area – excluded from credit determination
10.7	Restoration (1:1)	10.7	43,560 sq. ft. / acre	Cessation of current land use practices, removing invasive species, and planting with native forest vegetation.
Component Summation				
Restoration Level		Neuse Riparian Buffer Credits (sq. ft.)		
Restoration		10.7 acres = 466,092 sq. ft.		
<b>Totals</b>		<b>10.7 acres = 466,092 sq. ft.</b>		



	<b>RESTORATION SYSTEMS, LLC</b> 1101 HAYNES ST, SUITE 211 RALEIGH, NC 27604 PHONE : 919.755.9490 FAX : 919.755.9492	SCALE: 1 inch = 333 feet DATE: NOV - 2013 PROJECT: P-WOOD	<b>PLAN SHEET E: CREDIT DETERMINATION</b>
	<small>This map and all data contained within are supplied as is with no warranty. Restoration Systems, LLC expressly disclaims responsibility for damages or liability from any claims that may arise out of the use or misuse of any claims that may arise out of the use or misuse of this map. It is the sole responsibility of the user to determine if the data on this map is compatible with the user's needs. This map was not created as survey data, nor should it be used as such. It is the user's responsibility to obtain proper survey data, prepared by a licensed surveyor, where required by law.</small>		
	<small>Mitigation credits presented are projections based upon Site design. Upon completion of Site construction the project components and credits data will be revised to be consistent with the as-built condition.</small>		<b>Pepperwood Farm Riparian Buffer Mitigation Site</b> RFP # 16-004362    EEP Project ID 95713 Contract # 004946    SPO # 92-AGZ Wake County, North Carolina  <small>Aerial Imagery: ESRI, i-cubed, USDA FSA, USGS COORDINATE SYSTEM: NAD 1983 NC FEET</small>



## APPENDIX E

### PERFORMANCE BOND

- The process of securing a performance bond is underway and will be a part of the final mitigation plan.

**Performance Bond**

Bond No. **22BCSGI2681**

KNOW ALL MEN BY THESE PRESENTS, that we, **Restoration Systems, LLC**, as Principal, and **Hartford Fire Insurance Company**, licensed to do business in the State of, **NC** as Surety, are held and firmly bound unto **North Carolina Department of Environment and Natural Resources** (Obligee), in the penal sum of **Three Hundred Ninety Six Thousand Two Hundred Seventy Five and 00/100 Dollars (\$396,275.00)**, lawful money of the United States of America, for the payment of which sum, well and truly to be made, the Principal and Surety do bind themselves, their heirs, executors, administrators, and successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the above bounden Principal has entered into certain written **Contract 004946 for a contract value of \$720,500.00** with the above named Obligee, effective the **15th** day of **October, 2012** for **Pepperwood Farm Riparian Buffer Mitigation Site, in the Neuse River Basin, Cataloging Unit 03020201** and more fully described in said Contract, a copy of which is attached, which Agreement is made a part hereof and incorporated herein by reference, except that nothing said therein shall alter, enlarge, expand or otherwise modify the term of the bond as set out below.

NOW, THEREFORE, if Principal, its executors, administrators, successors and assigns shall promptly and faithfully perform the Contract, according to the terms, stipulations or conditions thereof, then this obligation shall become null and void, otherwise to remain in full force and effect subject to the following:

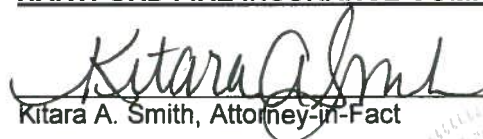
Notwithstanding the provisions of the Contract, this bond will commence on the date of the submittal of Task 3 (submittal of Mitigation Plan) and remain in effect until the Contractor has received written notification from the EEP that the requirements of Task 6 (Submittal of Baseline Monitoring Document) have been met. After the successful completion of Task 6, the bonded obligation is retired.

Sealed with our seals and dated this **17th** day of **December, 2013**

**RESTORATION SYSTEMS, LLC**

  
Principal

**HARTFORD FIRE INSURANCE COMPANY**

  
Kitara A. Smith, Attorney-in-Fact

 Witness

 Witness

Agreed and acknowledged this \_\_\_ day of \_\_\_\_\_, 2013

By: \_\_\_\_\_  
Obligee



# POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD

BOND, T-4

One Hartford Plaza

Hartford, Connecticut 06155

call: 888-266-3488 or fax: 860-757-5835

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Code: 22-270197

- Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut, (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, **up to the amount of unlimited:**

*Laura Krosky, Sandra B. Byrum, Southgate Jones III, Angela B. Britt, James P. Carter II, Phoebe Honeycutt, Kenneth J. Peeples, Kitara A. Smith, Heather L. Kennedy, Neil B. Biller, Bobbi D. Pendleton*  
of  
Durham, NC

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on January 22, 2004 the Companies have caused these presents to be signed by its Assistant Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



*Wesley W. Cowling*

Wesley W. Cowling, Assistant Secretary

*M. Ross Fisher*

M. Ross Fisher, Assistant Vice President

STATE OF CONNECTICUT

ss. Hartford

COUNTY OF HARTFORD

On this 3<sup>rd</sup> day of March, 2008, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Assistant Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

*Scott E. Paseka*

Scott E. Paseka  
Notary Public

My Commission Expires October 31, 2012

I, the undersigned, Assistant Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of *December 17 2013*  
Signed and sealed at the City of Hartford.



*Gary W. Stumper*

Gary W. Stumper, Assistant Vice President