

*Appendix B – The N.C.
Wetlands Restoration Program
2003 Annual Report to the N.C.
Department of Transportation*

Department of Environment and Natural Resources and Department of Transportation Memorandum of Understanding

On July 7, 1999, the N.C. Department of Environment and Natural Resources (DENR) and the N.C. Department of Transportation (NCDOT) signed a Memorandum of Understanding (MOU) designed to help address future NCDOT compensatory mitigation needs while protecting and improving water quality and habitat through the restoration of wetlands and streams as well as other activities that restore the biological, chemical and physical integrity of the waters of the state (refer to MOU copy within Appendix B of the 2000 WRP Annual Report). The agreement calls for the NCDOT to pay the DENR Wetlands Trust Fund \$2.5 million annually for a period of seven years through 2006. These resources are allocated strictly for the development of Local Watershed Plans (LWP) within cataloging units (CU) where the NCDOT is anticipating compensatory mitigation needs. Pursuant to the 1999 MOU, the NCWRP completed or initiated a total of 15

Table B-1 Receipts and Expenditures Related to the Memorandum of Understanding with NCDOT

Local Watershed Plan	FY 00-01	FY 01-02	FY 02-03	Total
Broad			9,284	9,284
Catawba		57,705	342,290	399,995
Lower Yadkin		79,191	53,549	132,740
Middle Cape Fear		81,513	369,723	451,236
Lower Cape Fear	110,728	287,023	8,912	406,663
French Broad	17,543	49,000	3,350	69,893
Pasquotank		101,208	106,612	207,820
Upper Cape Fear		112,865	419,049	531,914
Upper Yadkin		35,137	325,646	360,783
Subtotal	128,271	803,642	1,638,415	2,570,328
Administrative	167,163	255,351	487,056	909,570
Total Expenditures	295,434	1,058,993	2,125,471	3,479,898
Total Receipts				10,000,000

planning efforts. (Refer to Table B-1 for a summary of related receipts and expenditures.)

NCWRP Progress in Development of Local Watershed Plans

Significant progress has been made with Local Watershed Planning initiatives this past fiscal year. From July 1, 2002, through June 30, 2003, the NCWRP completed two Local Watershed Planning efforts (New Hanover County in the

Lower Cape Fear River basin and Mud Creek in the French Broad River basin) and continues Local Watershed Planning in 13 other local watersheds within nine CUs across the state. Six of these plans are scheduled for completion by December 2003 and three others are well under way with completion scheduled during 2004. A summary of the status of each Local Watershed Plan is provided in Table B-2.

During FY 01-02, an agreement between NCDOT and the NCWRP was developed describing the CU that each agency is responsible for mitigation within and when those responsibilities are effective. This agreement is included in the FY 01-02 NCWRP Annual Report in Appendix B, which is online at http://h2o.enr.state.nc.us/wrp/publications/2002_WRP_Annual_Report.htm. Since this agreement was established, the NCWRP has assumed responsibility of Cape Fear CU 03030007, effective January 2003, in addition to other CUs the NCWRP already had as its responsibility.

The implementation of LWPs across North Carolina to meet projected NCDOT mitigation needs has generated a number of important benefits at local, state and national levels. Highlights of these benefits include:

- At the **local** level, communities and local governments are working with the NCWRP to help identify watershed needs and feasible solutions to address them. Data generated during the planning process is being used to attain grant funds to implement solutions that cannot be implemented with mitigation funds. These efforts enhance and complement restoration projects implemented by the NCWRP to meet anticipated NCDOT mitigation needs. Additionally, the planning process is promoting education and awareness of water quality and habitat issues at a local scale. This is generating community support for project implementation as well as community involvement in watershed solutions.
- At the **state** level, Local Watershed Planning has laid the groundwork for the development of an innovative new program, the Ecosystem Enhancement Program (EEP), that will provide all of NCDOT's mitigation needs across the state beginning in January 2005. During this past fiscal year, significant progress on the development of this program was made. Part of this progress is directly related to work of the Watershed Needs Assessment Team which is charged with developing watershed assessment methods to be used by EEP. Their efforts have directly and significantly benefited from the NCWRP's Local Watershed Planning projects.
- **Nationally**, the experiences generated through the Local Watershed Planning process are adding to a growing database of watershed planning and management examples. In late 2002, the federal government released a National Wetlands Mitigation Action Plan which is available online at: <http://www.epa.gov/owow/wetlands/NWMAP122402signed.pdf> that called for the integration of compensatory mitigation into a watershed context, among other things. North Carolina anticipates playing a critical role in satisfying this action item given the experience gained through Local Watershed Planning.

The implementation of Local Watershed Plans across North Carolina ... has generated a number of important benefits at local, state and national levels.

Status of Other Provisions Outlined in the Memorandum of Understanding

Beyond the development and implementation of LWPs, other provisions of the MOU include: development of a North Carolina Watershed Restoration Policy Committee, NCDOT involvement in LWP implementation and an NCDOT commitment to minimize impacts to certain types of wetland, stream and riparian habitats. The policy committee has not been established due to the implications of the development of EEP. The NCWRP continues to involve NCDOT in LWP activities.

Another component of the MOU is a commitment by the NCDOT to increase the avoidance and minimization of impacts to high quality resources. As part of the Permit Process Improvement Initiative involving NCDENR, NCDOT, COE and other regulatory agencies, the High Quality Resources Identification Team

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Table B-2 Summary of Current Local Watershed Planning Initiatives

River Basin	8-Digit CU	14-Digit HU	Local Watershed Name	Comments/Status	Completion Year	Contact / Plan Lead
Lower Cape Fear	3030007	03030007140010	Northeast Cape Fear	Completed December 2002	2002	Bonnie Duncan
						Bonnie.Duncan@ncmail.net
						(919) 733-5315
Upper Neuse	3020201	03020201060010	Lake Rogers & Ellerbe Creek	Building from EPA grant for the Upper Neuse Basin Association. Anticipated completion at the end of 2003.	2003	George Norris
		03020201050010				George.Norris@ncmail.net
						(919) 733-5312
Middle Neuse	3020203	03020203020040	Hominy Swamp Creek	Building off of an EPA grant. Conducted internal GIS analysis of watershed.	2003	Jocelyn Elliott
						Jocelyn.Elliott@ncmail.net
						(919) 716-1921
French Broad	6010105	06010105030020	Mud Creek	Completed December 2002.	2002	Kristin Cozza
		06010105030030				Kristin.Cozza@ncmail.net
		06010105030040				(704) 364-2733
Upper Cape Fear	3030002	03030002010010	Troublesome and Little Troublesome Creeks	Watershed assessment components nearly complete; stakeholder effort well underway.	2003	Hal Bryson
		03030002010030				Hal.Bryson@ncmail.net
						(919) 715-7452
Upper Cape Fear	3030002	03030002060100	Morgan and Little Creeks	Watershed characterization nearly complete and stakeholder process well underway.	2004	Bonnie Duncan
		03030002060070				Bonnie.Duncan@ncmail.net
		03030002060080				(919) 733-5315
Middle Cape Fear	3030004	03030004070010	Crane Creek	Assessment complete; stakeholder effort well underway.	2003	Jim Stanfill
		03030004070020				Jim.Stanfill@ncmail.net
						(919) 218-6872

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River Basin	8-Digit CU	14-Digit HU	Local Watershed Name	Comments/Status	Completion Year	Contact / Plan Lead
Middle Cape Fear	3030004	03030004020010	Kenneth Creek / Harris	Watershed characterization in progress; stakeholder team established.	2004	Bonnie Duncan
		03030004030010	Lake			Bonnie.Duncan@ncmail.net
		03030004040010				(919) 733-5315
Catawba	03050101, 03050103	03050101170010	McDowell, Long, Sugar /	Working with City and County stakeholders. Compilation and analysis of final assessment data is nearly complete.	2003	Jocelyn Elliott
		03050101170020	Irwin, Little Sugar,			Jocelyn.Elliott@ncmail.net
		03050103020020	McMullen, and McAlpine			(919) 716-1921
		03050103020030	Creeks			
		03050103020040				
Pasquotank	3010205	03010205050010	Pasquotank River	Watershed assessment is nearing completion and stakeholder effort well underway.	2003	Bonnie Duncan
		03010205010020				Bonnie.Duncan@ncmail.net
		03010205040010				(919) 733-5315
Lower Yadkin	3040105	03040105010020	Clarke Creek, West Branch	Watershed assessment is nearly complete. Working primarily with local resource professionals as stakeholders.	2003	Hal Bryson
		03040105010010	Rocky River			Hal.Bryson@ncmail.net
Lower Yadkin	3040105	03040105010030	Coddle, Mallard, Reedy Creeks and Rocky River	Watershed assessment will build upon information; stakeholder team participating in the Clarke Creek, West Branch and Rocky River Plan. This is considered Phase II of the initial plan.	2005	Hal Bryson
		03040105010040				Hal.Bryson@ncmail.net
		03040105010050				(919) 715-7452
		03040105020010				
Upper Yadkin	3040101	03040101010100	Lewis Fork, Tucker Hole,	Watershed assessment nearing completion. Working primarily with local resource professionals as stakeholders.	2003	Kristin Cozza
		03040101020010	Warrior Creek			Kristin.Cozza@ncmail.net
		03040101010110				(704) 364-2733
Broad	3050105	03050105070020	Cathey's Creek	Watershed characterization initiated along with public involvement.	2004	Kristin Cozza

Table B-3 Payments Accepted from NCDOT for Compensatory Mitigation

TIP number	401 Cert. Nu.	404 Permit Nu.	River Basin	Catalog Unit	County				Unit	Type	Date Payment Received	Payment Amount
						wetland	stream	buffer				
U-2107	11433	199402926	White Oak	3030001	Onslow	6.0			Acres	Wetland	7/8/2002	\$ 144,000.00
U-3403C	11512	200230135	French Broad	6010105	Buncombe	0.8			Acres	Wetland	7/2/2002	\$ 18,000.00
R-2547 and R-2641	11689	200220819	Neuse	3020201	Wake		6,254	3,648,150	Sq. Feet	Buffer	7/11/2002	\$ 4,283,974.00
R-2214A	11715	200230204	French Broad	6010105	Henderson	2	2,428		Feet	Stream	7/8/2002	\$ 339,500.00
B-3199	11809	200220264	Neuse	3020201	Johnston			12,948	Sq. Feet	Buffer	6/26/2002	\$ 12,430.08
R-2907	20205	199700175	Neuse	3020201	Wake	5	582	40,964	Sq. Feet	Buffer	10/14/2002	\$ 217,058.54
B-3527	20387	200220742, 200220743, 200220744	Neuse	3020201	Wake			1,544	Sq. Feet	Buffer	6/27/2002	\$ 1,482.24
SR1128 (no TIP assigned)	20553	200220894, 200220895	Roanoke	3010107	Halifax	0.8			Acres	Wetland	7/26/2002	\$ 12,000.00
I-306C	21677	200220949	Neuse	3020201	Durham		1,602	235,709	Sq. Feet	Buffer	6/25/2003	\$ 546,680.64
												\$ 5,575,125.50

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has been initiated. This team will identify the types and locations of High Quality Resources throughout North Carolina. Their product is expected to be available by the end of 2003. In unison with the LWP approach, this team works to ensure that proactive planning to protect critical areas occurs in advance of road development impacts.

In accordance with the MOU, the NCWRP provides mitigation for NCDOT projects within 12 watersheds. During FY 02-03, nine projects were permitted with the NCWRP assuming the mitigation requirements (Table B-3). The NCWRP will assume responsibility for two additional watersheds during FY 03-04, Pasquotank CU 03010205 and Yadkin CU 03040105.