

Yadkin, Inc.

Post Office Box 576
Badin, North Carolina 28009-0576
August 11, 1997



Mr. William G. Allen, Vice President
Waterfront Properties, Inc.
Post Office Box 219
Matthews, North Carolina 28106

RE: ENVIRONMENTAL ASSESSMENT (EA)
CULTURAL RESOURCE ASSESSMENT DATED APRIL 1997

Dear Mr. Allen:

This letter is to notify you that Yadkin received a copy of a letter dated June 26, 1997, from David Brook of North Carolina Department of Cultural Resources, Division of Archives and History (SHPO) stating that an archaeological survey report of Heron Bay property had been submitted to SHPO and that twenty-six sites were recorded in the report, with one site being a multi-component Early Archaic/late 19th-20th century site (site 31MG1193/1193**). As requested by SHPO, if Heron Bay development should expand northward, further archaeological investigation should be conducted at this site for the site to be more fully eligible for nomination to the National Register of Historic Places.

A copy of the referenced report and letter of transmittal dated July 17, 1997, have been received by this office and reviewed. We feel that you have completed the requirements of Yadkin's Environmental Assessment Review report **ENVIRONMENTAL CONCERNS FOR DEVELOPMENT OF HERON BAY** dated December 1996 and submitted to you with letter dated January 23, 1997. Therefore, you may inform Heron Bay property owners that Yadkin will now review any request from property owners adjacent to Company owned buffer strip providing:

1. All conditions of Yadkin's Pier Specifications dated June 02, 1997, are met.
2. All agency recommendations/requests are met or mitigated.
3. Adjacent property owner/developer is in compliance with the Bald Eagle Management Plan. Under FERC regulations, Uwharrie Point and all future developments will be required to implement a 100 foot Bald Eagle Habitat setback zone on house and 100' setback restrictions on tree removal, per our letters to you dated August 10, 1994, May 26, 1995, May 30, 1995, August 25, 1995, and Yadkin's Bald Eagle Management Plan Report to FERC dated May 14, 1995. On page 30 of 53 of the Bald Eagle Management Plan Report, please note the following. "On Narrows Reservoir, new developments are now required to develop covenants that provide specific limitations on building setbacks and limitations on tree removal within each setback. A company developing Heron Bay Subdivision on Narrows Reservoir has already been required to incorporate the mitigation requirements for building setbacks and limited tree removal in the setback in Phase I of its development."

In Yadkin's EA review report Environmental Concerns for Development of Heron Bay dated December 1996, the enclosed "Figure 1" map of Heron Bay Development indicating Aquatic Vegetation Beds Near Heron Bay Development was inadvertently omitted. Please include this Figure 1 map with the report since it is referenced in the text.

Sincerely,

Norman L. Pierson

cc: Report Distribution List Attached
bc: Joe Adams, Steve Myers, Henry Doby, David Poe, and Pat Shaver

ENVIRONMENTAL CONCERNS FOR DEVELOPMENT OF HERON BAY

Report Dated: December 1996

Report Prepared by:

Yadkin, Inc.

P.O. Box 576

Badin, North Carolina 28009

David Brooks
Deputy State Historic Preservation Officer
NC Dept. of Cultural Resources
Division of Archives and History
109 East Jones Street
Raleigh, North Carolina 27601-2807

Bill Oliver, Archaeologist
NC Dept. of Cultural Resources
Division of Archives and History
109 East Jones Street
Raleigh, North Carolina 27601-2807

William R. Dawson, P.E.
Chief, Engineering & Planning Division
Wilmington District, Corps of Engineers
Post Office Box 1890
Wilmington, North Carolina 28402-1890

Owen Anderson
NC Wildlife Resources Commission
Piedmont Region Coordinator
Habitat Conservation Program
512 N. Salisbury Street
Raleigh, North Carolina 27604-1188

Wayne Chapman, Fisheries Biologist
Division of Boat & Inland Fisheries
NC Wildlife Resources Commission
3251 Laton Road
Albemarle, North Carolina 28001

Kenneth Knight, Wildlife Biologist
NC Wildlife Resources Commission
1403 Heritage Court
Albemarle, North Carolina 28001

Anthony W. Mullis
Piedmont Region Supervisor
NC Wildlife Resources Commission
Route 2, Box 166
Denton, North Carolina 27239

Franklin McBride
Habitat Conservation Program
512 Salisbury Street
Raleigh, North Carolina 27604-1188

Wilson Laney
Acting Supervisor
US Department of the Interior
Fish and Wildlife Service
Raleigh Field Office
Post Office Box 33726
Raleigh, North Carolina 27636-3726

Candace Martino
Endangered Species Specialist
US Fish & Wildlife Service
Raleigh Field Office
Post Office Box 33726
Raleigh, North Carolina 27636-3726

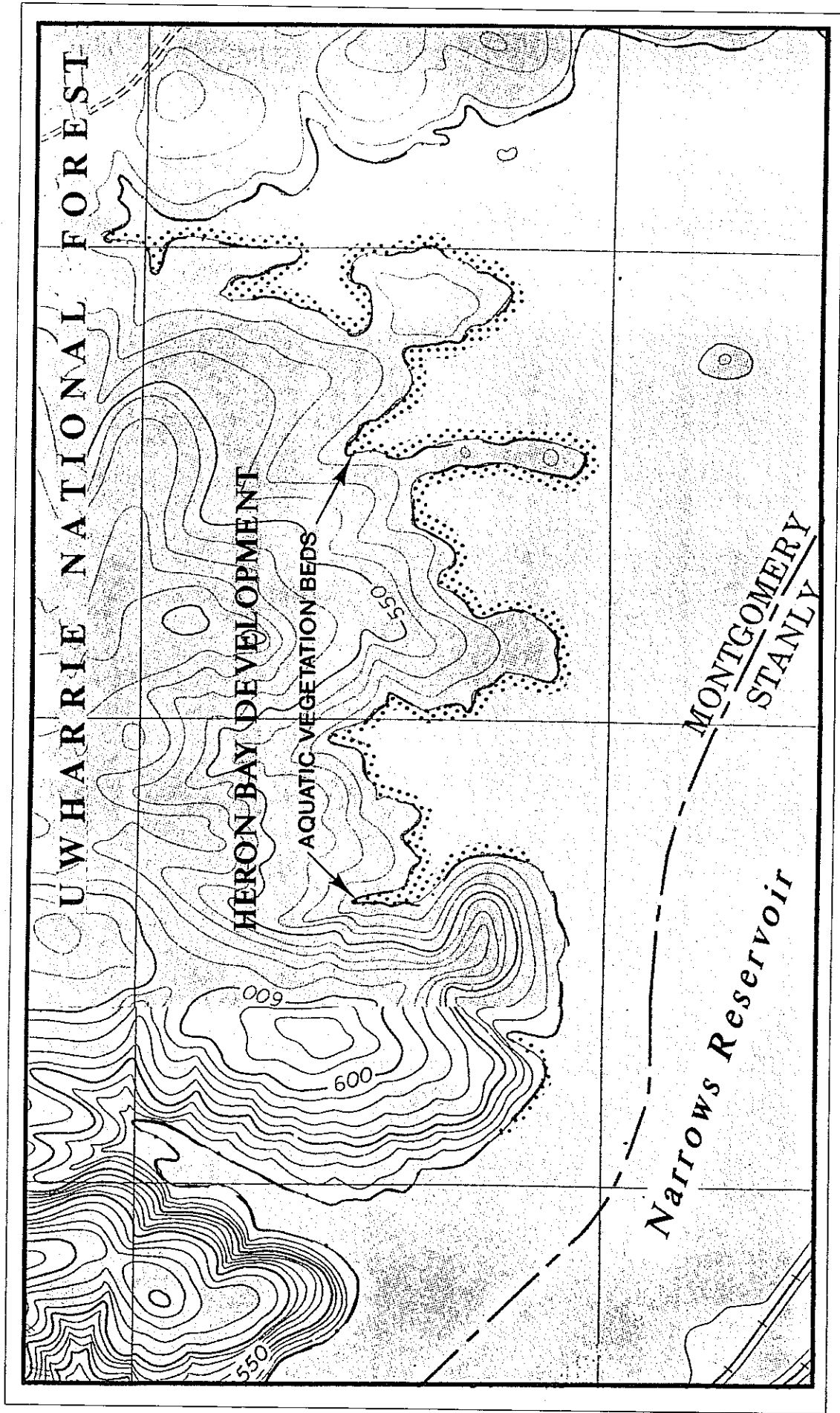
Gary S. McCaskill
County Manager
County of Montgomery
Post Office Box 425
Troy, North Carolina 27371-0425

Brady Dixon
Montgomery County Commissioner
Post Office Box 425
Troy, North Carolina 27371

Mr. Phil Henley
Building Inspections Office
Montgomery County
Post Office Box 643
Troy, North Carolina 27371

Judy Stevens, Executive Director
Montgomery County EDC
Post Office Box 637
Troy, North Carolina 27371

Wendy Bley - Long View Associates
Steve Padula - Long View Associates
Paul Shiers - Stone & Webster Engr. Corp.
Chuck Zimmerman - Dames & Moore
Max Laun - Alcoa, Pittsburgh



1000 500 0 1000 2000 FEET

SOURCE: Base map is enlarged from portions of the U.S.G.S. 1:24,000 scale topographic maps titled "New London, N.C.", 1993 and "Badin, N.C.", photoinsected 1983

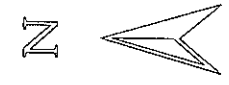


Figure 1

AQUATIC VEGETATION BEDS NEAR HERON BAY DEVELOPMENT Narrows Reservoir Badin, North Carolina

The following letters were referenced in the 8/11/97 letter but were not mailed with 8/11/97 letter except to Max Laun, Wendy Bley, Henry Doby & David Poe

Yadkin, Inc.

Post Office Box 576

Badin, North Carolina 28009-0576



July 14, 1997

Mr. Gary Allen
Waterfront Properties
P.O. Box 219
Matthews, North Carolina 28106

Dear Gary:

According to North Carolina Department of Cultural Resources letter dated June 26, 1997, to Mr. Greg Smith, of Environmental Services, Inc. (ESI), the archaeological survey has been completed and transmitted directly to Cultural Resources.

In order to complete our review of Heron Bay, we will also need a copy of the survey report. Please forward copy of the ESI report to me.

Sincerely,

Pat Shaver



North Carolina Department of Cultural Resources

James B. Hunt Jr., Governor
Betty Ray McCain, Secretary

Division of Archives and History
Jeffrey J. Crow, Director

June 26, 1997

Greg C. Smith
Senior Archaeologist
Environmental Services, Inc.
8711 Perimeter Park Boulevard, Suite 11
Jacksonville, FL 32216

Re: Heron Bay Development, Narrows Reservoir,
Montgomery County, ER 96-8402, ER 97-9282

Dear Dr. Smith:

Thank you for your letter of May 28, 1997, transmitting the archaeological survey report by concerning the above project. We have reviewed the report and would like to comment.

During the course of the survey twenty-five sites (31MG1168-31MG1192) were located within the project area. One additional site (31MG1193) was located just outside the project boundaries. Although unassessed for National Register eligibility, this multicomponent site was recommended for testing to determine its significance. Environmental Services, Inc., has recommended that no further archaeological investigation be conducted in connection with this project. We concur with this recommendation since this project will not involve significant archaeological resources. However, future expansion or development plans should take notice of the need to conduct testing at 31MG1193.

The following properties were determined not eligible for listing in the National Register of Historic Places:

31MG1168-31MG1192, lack of research potential

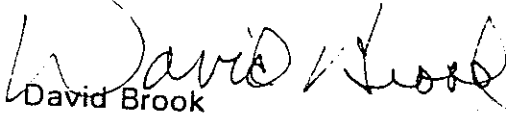
The report meets our office's guidelines and those of the Secretary of the Interior.

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.

Greg Smith
June 26, 1997, Page 2

Thank you for your cooperation and consideration. If you have questions concerning the above comment, please contact Renee Gledhill-Earley, environmental review coordinator, at 919/733-4763.

Sincerely,



David Brook
Deputy State Historic Preservation Officer

DB:slw

(cc: Norman Pierson
Yadkin, Inc.
P.O. Box 576
Badin, NC 28009-0576



North Carolina Department of Cultural Resources

Governor James B. Hunt Jr., Governor
Secretary Betty Ray McCain, Secretary

Division of Archives and History
Jeffrey J. Crow, Director

July 7, 1997

Pat Shaver
Yadkin, Inc.
P.O. Box 576
Badin, North Carolina 28009-0576

Dear Mrs. Shaver:

Enclosed is Figure 4 from the report entitled "A Cultural Resource Assessment of the Heron Bay Property, Montgomery County, North Carolina." This figure clearly indicates the archaeological site locations associated with the survey conducted by Environmental Services, Inc. (ESI). Twenty-six sites were recorded (31MG1168-31MG1193). Although both historic and prehistoric sites were identified, most were small and lacked adequate context to be considered significant. A possible exception to this trend was site 31MG1193/1193** which was estimated to cover approximately 9000 square meters. This multi-component Early Archaic/late 19th-20th century site was identified just beyond the northern boundary of the Heron Bay development and was recommended for additional investigation to determine its significance. If the Heron Bay development should expand northward, further archaeological investigation should be conducted at site 31MG1193/1193** to more fully evaluate its eligibility for nomination to the National Register of Historic Places.

If we can be of further assistance, please contact us again.

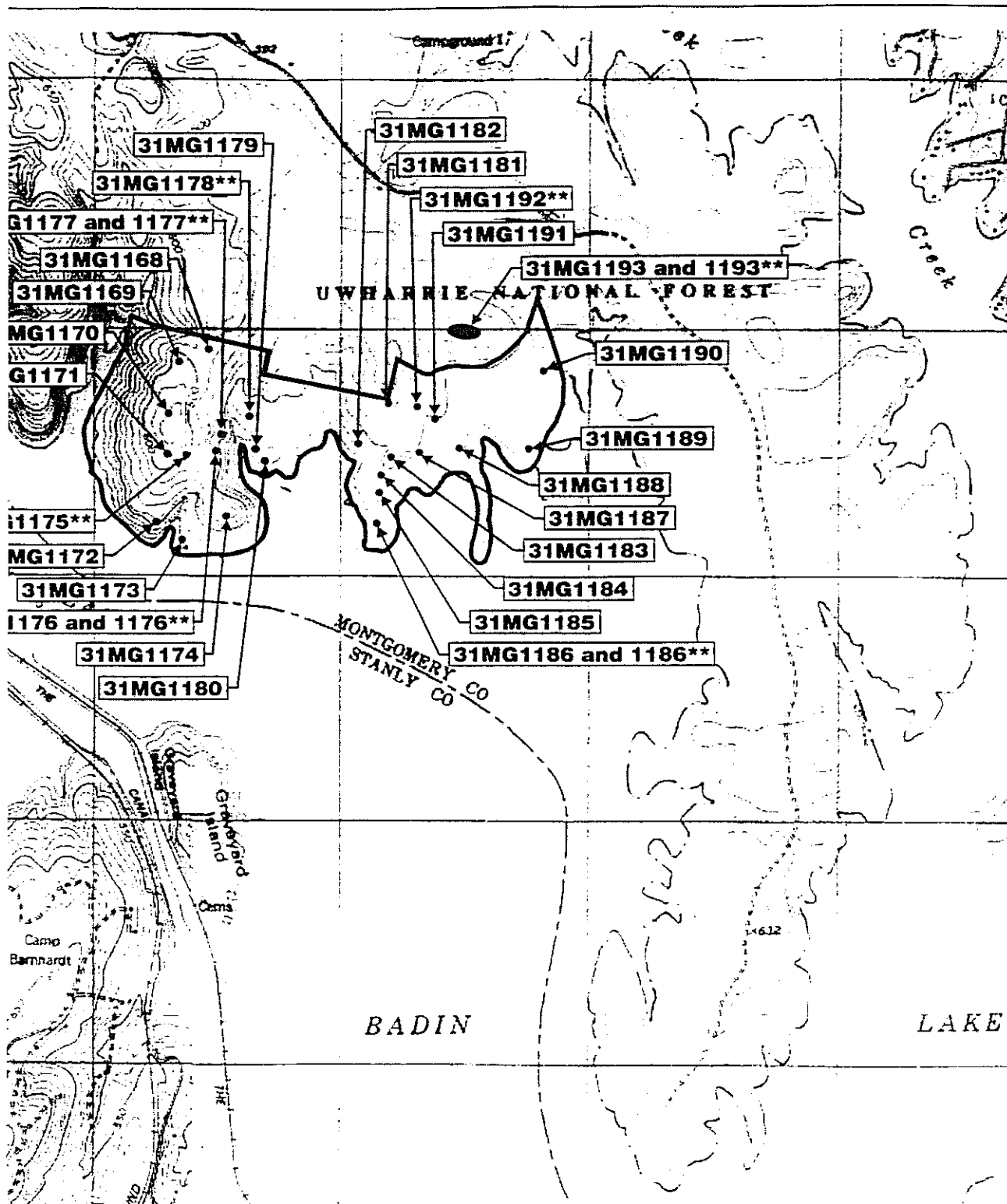
Sincerely,

A handwritten signature in cursive script, reading "Billy L. Oliver".

Billy L. Oliver, Ph.D.
Archaeologist II and Lab Manager
Office of State Archaeology
Historic Preservation Office

enclosure





U.S.G.S. Topographical Survey, Badin and New London, N.C., Quadrangles. (1983)
 1:20,000

Sites Recorded during the Heron Bay Survey



ENVIRONMENTAL
 SERVICE, INC.

Heron Bay

Project No. ER97007A

Date 4/1/97

Figure 1



Yadkin, Inc.
Post Office Box 576
Badin, North Carolina 28009-0576
704/422-5533

August 25, 1995

Mr. Randy Allen
KEJ Marketing Company
7009 Whitemarsh Court
Charlotte, NC 28210

Dear Mr. Allen:

As you may be aware, Narrows Reservoir (Badin Lake) is a part of Yadkin, Inc. Hydroelectric system which the Company operates under license from the Federal Energy Regulatory Commission (FERC). Yadkin owns the land below the contour at elevation 541 feet, the reservoir normal full pool. Aluminum Company of America owns the adjoining land lying between the contour at elevation 541 feet and the contour at elevation 545 feet as a buffer zone for the protection of the reservoir.

The FERC requires that Yadkin operates and maintains the reservoir at all times in a prudent manner for the protection of the surrounding environment as well as the safety and welfare of the public enjoying the use of the reservoir. Yadkin and Alcoa have become concerned that their land around the reservoir is being abused by others to the detriment of the environment. Trees and underbrush have been cut and the land surface substantially disturbed. In addition trees along the shoreline have been removed destroying fish habitat along with "leaners" (that would have provided future habitat). These intrusions are not consistent with good land use practices and will not be tolerated. To avoid further intrusions, the company intends to enforce its specifications vigorously.

Both Alcoa and Yadkin will fully cooperate with the several governmental agencies charged with enforcement of land use, fish and wildlife preservation and environmental laws and regulations. Adjoining landowners should be aware that the Montgomery County Zoning Ordinance requires a vegetative buffer zone be maintained a minimum of 30 feet from the normal full pool elevation of the reservoir. Also, under FERC regulations, Uwharrie Point and all developments will be required to implement a 100 foot Bald Eagle Habitat setback zone. Failure to do so will result in the development being denied access to the reservoir.

Mr. Randy Allen
KEJ Marketing Company
August 25, 1995
Page 2

The company requests that each adjoining land owner respect the company's preservation and protection policies regarding the reservoir and the buffer area around the reservoir and refrain from cutting and removing trees and undergrowth from the area. The company does not desire to be placed in a position of having to take harsh measures to protect the integrity of the area.

Sincerely,

Norman L. Pierson
Vice President
Property & Relicensing

NLP:pbs

cc: **Joe Adams - Badin Works**
Wayne Chapman, Marine Biologist
NCWRC - Inland Fisheries, 3251 Laton Rd., Albemarle, NC 28001
Henry Doby, Jr., Attorney
117 W. South Street, Albemarle, NC 28001
Kenneth Knight, NCWRC, 1403 Heritage Ct., Albemarle, NC 28001
Max Laun - Pittsburgh Office
Jerry Turnbow - Badin Works

James T. Hill Surveying
125 West Kerr Street
Salisbury, NC 28144

Doby and Beaver
P.O. Box 1305
Albemarle, NC 28001

August 25, 1995

Dear Henry,

Our survey of the 545 foot contour, Carolina Aluminum Company Datum at Badin Lake, Heron Bay Subdivision, shows that there has been disturbance below the 545 foot contour as follows:

Lots 1A, 1B, 1 through 9 - Live vegetation cut and removed to water line with stumps and wood piled below 545 foot contour.

Lot 10 - Live vegetation cut and grading has been done below the 545 foot and 541 foot contour over the eastern one-fourth of the lot.

Lot 12 through 17 - Vegetation cut below 545 foot contour to water line.

Lot 22 through 24 - Vegetation cut below 545 foot contour to the water line.

Lot 25 - All vegetation cut and cleared to water line.

Lot 26 through 30 - Vegetation cut and cleared to water line with siltation occurring on lot 28.

Lot 29 and 30 - Vegetation cut to water line.

Lot 31 - Vegetation cut and grading done to water line.

Lot 32 through 36 - Vegetation cut and removed to water line.

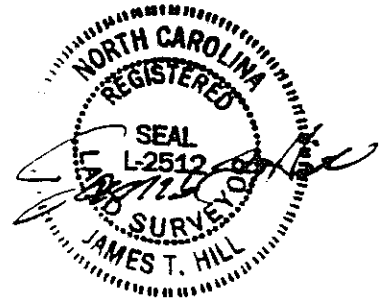
Lot 37 - Vegetation cut below 545 foot contour to water line and road grading done below 545 foot contour.

Lot 40 and 41 - Iron set below 545 foot contour.

Lot 42, 43, 44 - Vegetation cut on peninsula below 545 foot contour.

Lot 45 - Grading done along 545 foot contour

Lot 46. - Vegetation cut below 545 foot contour to



water line.

Lot 48, 49 - Brush piled below 545 foot contour.

Lot 50 - Vegetation cut to water line, silt fence below 545 foot contour at center of lot.

Lot 52, 53 - Vegetation cut to water line, roads graded below 545 foot contour, gully filled in, ~~PROPERTY LINE CUTS~~
~~OFF 545' CONTOUR AT GULLY. (JTH)~~

Lot 54 - Vegetation cut below 545 foot contour.

Lot 55, 56 - Vegetation cut, gully and branch filled in above 545 foot contour, silt fence below 545 foot contour on lot 56.

Lot 57 - Silt fence below 545 foot contour.

Lot 58 - Vegetation cut below 545 foot contour; silt fence is below 545 foot contour.

Lot 59, 60 - Vegetation cut to water line, excavation done below 545 foot contour on lot 60.

Lot 61 - Vegetation cleared to water line.

Lot 62, 63 - One half of road graded below 545 foot contour; vegetation cut below 545 foot contour.

Lot 65 through 69 - Vegetation cut to water line.

Lot 70, 71 - Branch filled in above 545 foot contour.

Vegetation that has been cut is underbrush and some small trees.

Sincerely yours,

James T. Hill

James T. Hill, RLS

JTH:dgh





Yadkin, Inc.
Post Office Box 576
Badin, North Carolina 28009-05
704-338-1573

May 30, 1995

Mr. Gary Allen
KEJ Marketing Company, Inc.
Post Office Box 1627
Matthews, North Carolina 28106

RE: Setbacks for Lots 41 and 44 of Heron Bay, Phase III

Dear Gary:

I have reviewed the diagram provided by Randy for Lots 41 and 44 of Heron Bay, Phase III, in terms of the 100 foot setback.

As you are aware, at present on Narrows Reservoir (Badin Lake) Yadkin is requesting that all development be located 100 feet from the shoreline and that no trees be removed within that 100 foot setback. The setback requirement is a part of our License with the Federal Energy Regulatory Commission and therefore Yadkin must comply with the setback requirement. The 100 foot setback is required where economically feasible, however Yadkin will be requiring the maximum feasible in all cases.

The Minimum Setback for Lot 41, that Yadkin will grant is 50 feet (50').

The Minimum Setback for Lot 44 will be the entire 100 feet. Most homes built on shoreline lots are not necessarily square across the lot, but are angled to take advantage of view and/or terrain. There is no reason that the house cannot be angled to followed the setback.

You may inform the purchaser that the setback requirement is not an attempt to single you out or cause harm to potential purchasers. The 100 foot setback is required on all of the South Point Neighborhood and all future development at the Old North State Club at Uwname Point and it will be required on all future development, by anyone, on Narrows Reservoir from this day forward.

Sincerely,

Julia L. Larson
Resource Management Administrator



Yadkin, Inc.
Post Office Box 576
Badin, North Carolina 28009-0576
704) 422-5679

May 26, 1995

Mr. Gary Allen
KEJ Marketing Company, Inc.
Post Office Box 1627
Matthews, North Carolina 28106

RE: Setbacks for Lots 41 and 44 of Heron Bay, Phase III

Dear Gary:

I have reviewed the diagram provided by Randy for Lots 41 and 44 of Heron Bay, Phase III, in terms of the 100 foot setback.

As you are aware, at present on Narrows Reservoir (Badin Lake) Yadkin is requesting that all development be located 100 feet from the shoreline and that no trees be removed within that 100 foot setback. The setback requirement is a part of our License with the Federal Energy Regulatory Commission and therefore Yadkin must comply with the setback requirement. The 100 foot setback is required where economically feasible, however Yadkin will be requiring the maximum feasible in all cases.

Gary, while I appreciate your concern about springing this on me with less than 24 hours to evaluate the proposal, it is really not an appropriate time frame for reviews of this significance and I can only provide you tentative approve, that could be revoked, once it is reviewed by all parties concerned. I will make the final decision, but I had to make this decision without review by those persons who I normally rely on for input.

Additionally, I do not have the water depths in hand to make a determination about either of these lots being eligible for piers. Finally, prior to written approval of this phase for piers the Environmental Assessment we discussed several months ago must be submitted. I indicated then that I would only approve Phase 1 without the Environmental Assessment and could not approve any additional phases, until the Assessment was submitted and reviewed.

The sketch that Randy submitted has the 100 foot setback farther back than it should it on Lot 44, it should follow the contour and I will not approve any reduction of the 100 foot setback for that Lot, as I will not approve it for Lots 34, 35, 36, 43, 45, 46, and 47.

In terms of the setback for Lot 41, the Minimum Setback that I am comfortable granting would be for 50 feet. As we are all aware, the size of a drain field is determined based on the size of the house. The drain field that is indicated for Lot 41 should presuppose a smaller home than is proposed for Lot 46,



Yadkin, Inc.
Post Office Box 576
Badin, North Carolina 28009-0576
704) 422-5679

May 26, 1995

Mr. Gary Allen
KEJ Marketing Company, Inc.
Post Office Box 1627
Matthews, North Carolina 28106

RE: Setbacks for Lots 41 and 44 of Heron Bay, Phase III

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In terms of the setback for Lot 41, the Minimum Setback that I am comfortable granting would be for 50 feet. As we are all aware, the size of a drain field is determined based on the size of the house. The drain field that is indicated for Lot 41 should presuppose a smaller home than is proposed for Lot 46,

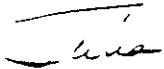
Mr. Gary Allen
May 26, 1995
Page 2

where a drain field is illustrated, as Lot 41 is half of the size of Lot 46, and the drain field that Randy drew for Lot 41 is much larger than the one drawn for Lot 46.

You can inform the purchaser that the setback requirement is not an attempt to single you out or cause harm to potential purchasers. The 100 foot setback is required on all of the South Point Neighborhood and all future development at the Old North State Club at Uwharrie Point and it will be required on all future development, by anyone, on Narrows Reservoir from this day forward.

I realize that this is not the answer that you were hoping for, however it is the only answer that I can give you at this time.

Sincerely,



Julia L. Larson
Resource Management Administrator

FUTURE DEVELOPMENT
22,288 S.F.

(47)
42,462 S.F.

DRAIN FIELD

(46)
1.02 AC.

(45)
36,685 S.F.

(44)
1.00 AC.

(43)
34,417 S.F.

(42)
32,224 S.F.

(35)
32,946 S.F.

(34)
39,728

(36)
29,585 S.F.

(37)
30,684 S.F.

(40)
30,555 S.F.

SECTION WHICHER
ENCOMPASSED
WAS OF 1982

1010M
History Public

14 13,1095

It is shown and
guaranty
that, always, work
is, furthermore,

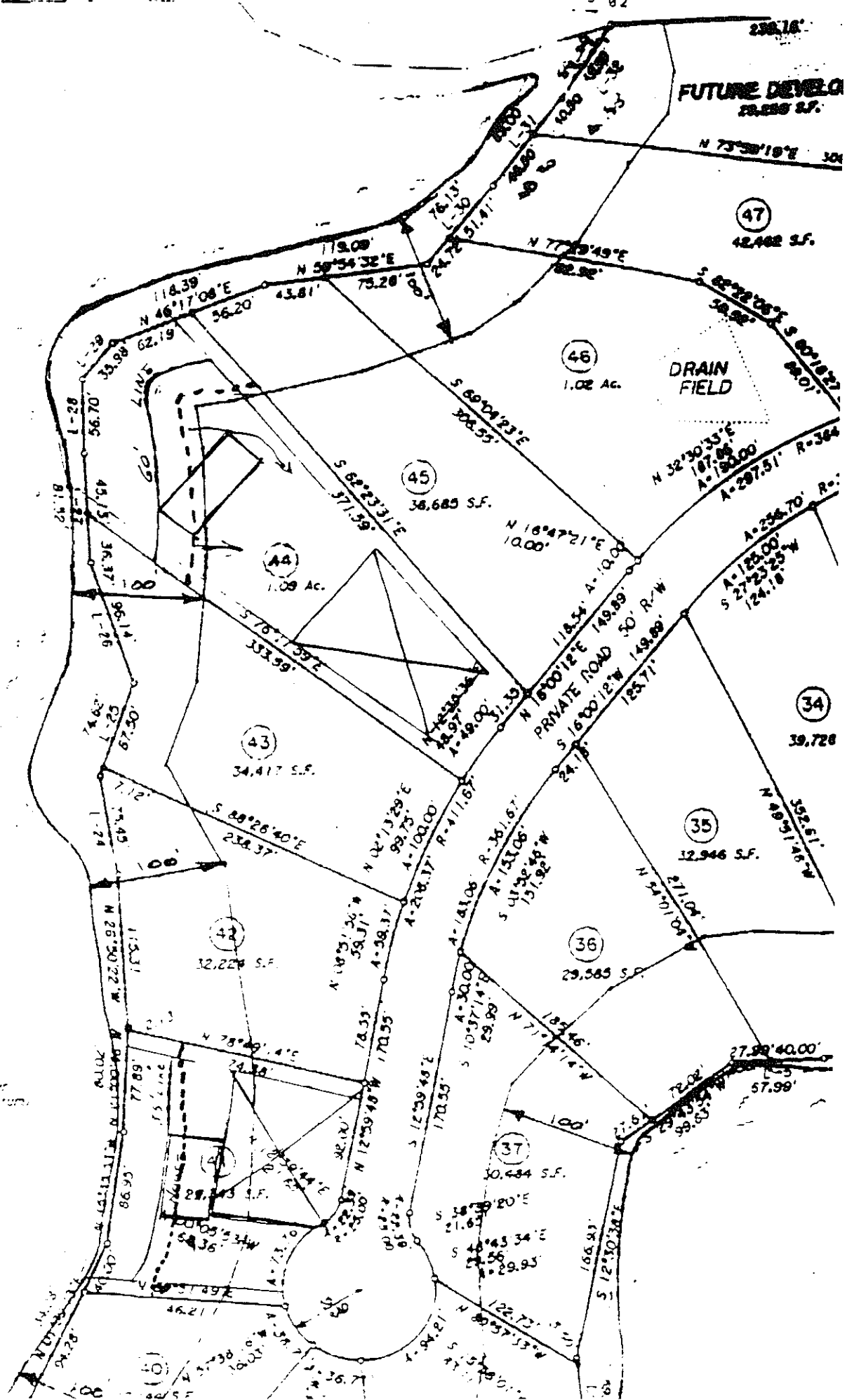
Area
owner

BADIN LAKE

Line is meandering contour
variation 545' (approx. to Datum)

and is comply with the
that this map has been
the office of the

Map Administrator





August 10, 1994

**Mr. Gary Allen
KEJ Marketing, Inc.
Post Office Box 729
Mathews, North Carolina 28105**

RE: Proposed Development on Narrows Reservoir, Heron Bay

Dear Gary:

I am writing to inform you that in order for you to develop the proposed Heron Bay development on Narrows Reservoir (Badin Lake) you will need to do two things: File an Environmental Assessment with Yadkin regarding the proposed development and submit development plans for pier approval.

First, as I have already mentioned to you, an Environmental Assessment (EA) of your proposed development must be completed and submitted to Yadkin for review. The EA will need to address, but is not limited to the following items: Water Quality, Soils, Wildlife and Fish Habitats, Historical & Archaeological Resources and Recreation Resources including boating and other recreational opportunities. Recreation should be considered on a reservoir wide basis. The EA must include a description each of the preceding items and an assessment of how your development will impact each of the items. A description of how your development will be built to enhance the environment on Narrows Reservoir should be included. By this I mean such items as your willingness to not place any piers in the environmentally sensitive cove located adjacent to the property and your understanding of the significant problems that could arise from attempting to request piers in the steep areas of the property. Further, it would be beneficial for you to discuss in the EA any other environmental issues that have driven your development proposal decisions for the property.

In terms of resources for the data necessary for you to complete the EA I have developed a Resource List of individuals or organizations who will have or can direct you to data on the Narrows Reservoir area. I have enclose this List for you.

Secondly, due to a recent order from the Federal Energy Regulatory Commission (FERC), who hold Yadkin's license. Yadkin is limited to authorizing the construction of fifteen (15) new piers a year on Narrows Reservoir. (Note: The Uwharrie Point development comes

under the order as a separate issue from the remainder of the reservoir, thus they are not included in the fifteen piers provided to Yadkin.)

Yadkin's discretion to issue a statement to potential developers about the number and location of possible residential or private piers in a development is based on Article 35 of our license. While, the first phase of Heron Bay will probably not have fifteen piers developed in the first year of sales, (as piers require a house to be under roof on a lot before a construction permit will be issued), Yadkin has interpreted the recent order of FERC as limiting our discretion on Narrows Reservoir.

Therefore, it is my recommendation that you submit development plans for the entire property and the EA to Yadkin for review. Upon our evaluation of the proposal as acceptable under Yadkin's specifications, we will then forward the application and EA to FERC along with our recommendation. This process could be as short as 90 days or it could take six (6) months or longer. I would like to mention however, that FERC may want to suspend the decision on the development until such time as Yadkin files the Bald Eagle Management Plan for Narrows Reservoir, due by April 15, 1995. However, it may be that your EA discussion regarding the impact of your development on the Bald Eagle and any mitigation you propose should an impact be determined, would be satisfactory to both the US Fish & Wildlife Service and FERC. If that is the case, a decision on your plan could be issued upon completion of review by all involved agencies. However, I wanted to make sure that you were aware of the complications at present for developments on Narrows Reservoir.

As we have discussed before Yadkin will also be requiring a 100 foot setback for all homes within the development where economically feasible. Randy Allen indicated to me that your developments always require a 50 foot setback from the property line, thus with the size of Yadkin's buffer in the area, it is conceivable that the 100 foot setback can be easily obtained for the majority of the lots. Furthermore, as a part of the FERC order, Yadkin will now require that restrictions on the removal of trees in this 100 setback be part of the deed restrictions for the development.

I appreciate your cooperation throughout this process and look forward to working with you in the future.

Sincerely,

Julia L. Larson
Resource Management Administrator

cc. **Mr. Max Laun, Alcoa, Pittsburgh**
Ms. Sandra Steed, Steed Properties



Yadkin, Inc.
Post Office Box 578
Badin, North Carolina 28009-0578
704) 422-5679

May 26, 1995

Mr. Gary Allen
KEJ Marketing Company, Inc.
Post Office Box 1627
Matthews, North Carolina 28106

RE: Setbacks for Lots 41 and 44 of Heron Bay, Phase III

Dear Gary:

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The sketch that Randy submitted has the 100 foot setback farther back than it should it on Lot 44, it should follow the contour and I will not approve any reduction of the 100 foot setback for that Lot, as I will not approve it for Lots 34, 35, 36, 43, 45, 46, and 47.

In terms of the setback for Lot 41, the Minimum Setback that I am comfortable granting would be for 50 feet. As we are all aware, the size of a drain field is determined based on the size of the house. The drain field that is indicated for Lot 41 should presuppose a smaller home than is proposed for Lot 46,

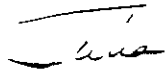
Mr. Gary Allen
May 26, 1995
Page 2

where a drain field is illustrated, as Lot 41 is half of the size of Lot 46, and the drain field that Randy drew for Lot 41 is much larger than the one drawn for Lot 46.

You can inform the purchaser that the setback requirement is not an attempt to single you out or cause harm to potential purchasers. The 100 foot setback is required on all of the South Point Neighborhood and all future development at the Old North State Club at Uwharrie Point and it will be required on all future development, by anyone, on Narrows Reservoir from this day forward.

I realize that this is not the answer that you were hoping for, however it is the only answer that I can give you at this time.

Sincerely,



Julia L. Larson
Resource Management Administrator

FUTURE DEVELOPMENT
28,285 S.F.

(47)
42,462 S.F.

DRAIN FIELD

(46)
1.02 AC.

(45)
36,685 S.F.

(44)
1.09 AC.

(43)
34,417 S.F.

(42)
32,224 S.F.

(34)
39,728

(35)
32,946 S.F.

(36)
29,565 S.F.

(37)
30,684 S.F.

(38)
28,143 S.F.

(39)
24,155 S.F.

SECTION 17, T14N, R10E, S14E, 100' OF 1981

1010M
History Public

34 13,1095

As shown and
plotted
1/2" = 100'
1/4" = 50'
1/8" = 25'
1/16" = 12.5'

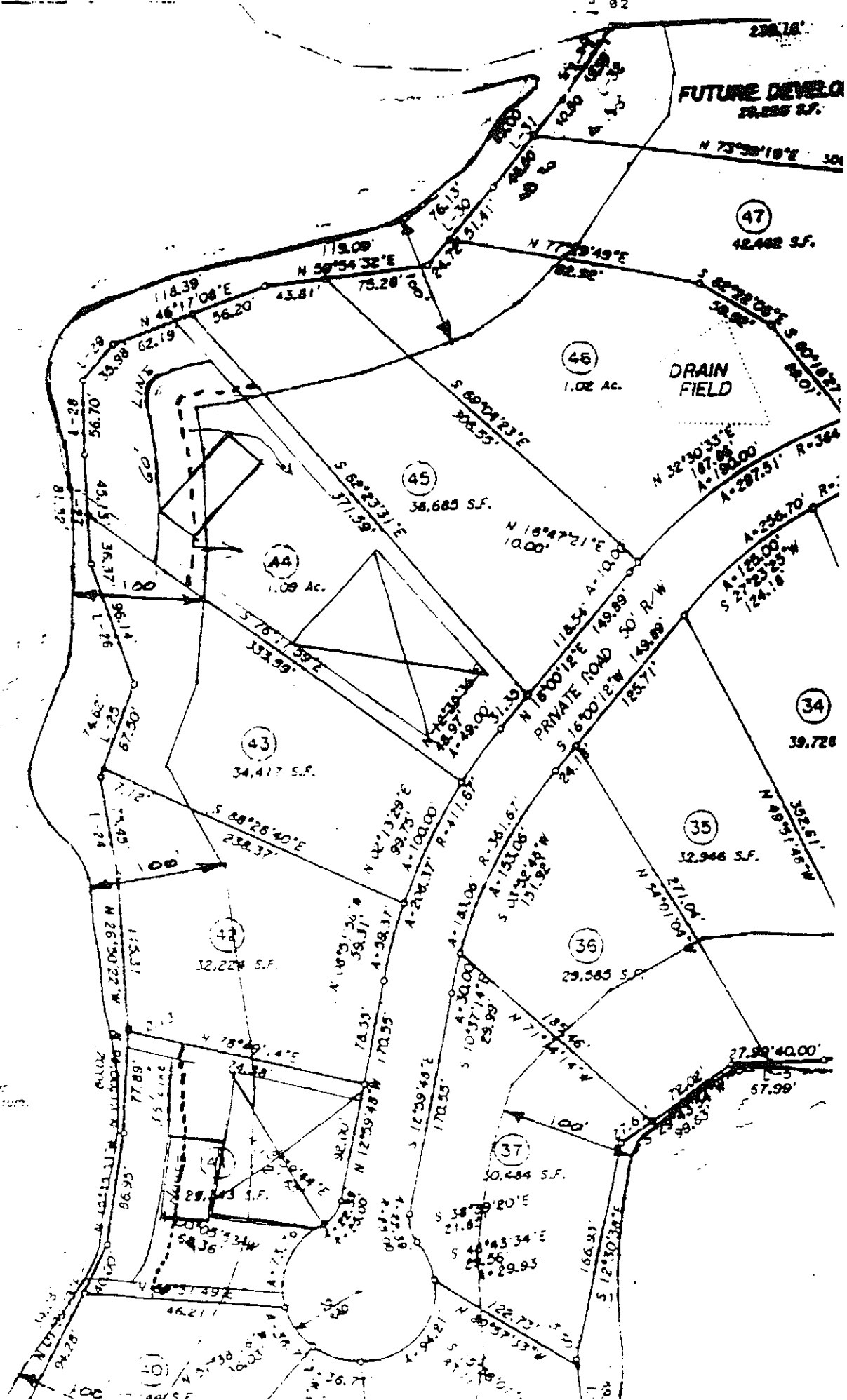
Area
Owner

RAIN LAKE

Line is meandering contour
variation 545' from the Datum.

and to comply with the
map must not be used
the office of the

Map Administrator





August 10, 1994

**Mr. Gary Allen
KEJ Marketing, Inc.
Post Office Box 729
Mathews, North Carolina 28105**

RE: Proposed Development on Narrows Reservoir, Heron Bay

Dear Gary:

I am writing to inform you that in order for you to develop the proposed Heron Bay development on Narrows Reservoir (Badin Lake) you will need to do two things: File an Environmental Assessment with Yadkin regarding the proposed development and submit development plans for pier approval.

First, as I have already mentioned to you, an Environmental Assessment (EA) of your proposed development must be completed and submitted to Yadkin for review. The EA will need to address, but is not limited to the following items: Water Quality, Soils, Wildlife and Fish Habitats, Historical & Archaeological Resources and Recreation Resources including boating and other recreational opportunities. Recreation should be considered on a reservoir wide basis. The EA must include a description each of the preceding items and an assessment of how your development will impact each of the items. A description of how your development will be built to enhance the environment on Narrows Reservoir should be included. By this I mean such items as your willingness to not place any piers in the environmentally sensitive cove located adjacent to the property and your understanding of the significant problems that could arise from attempting to request piers in the steep areas of the property. Further, it would be beneficial for you to discuss in the EA any other environmental issues that have driven your development proposal decisions for the property.

In terms of resources for the data necessary for you to complete the EA I have developed a Resource List of individuals or organizations who will have or can direct you to data on the Narrows Reservoir area. I have enclose this List for you.

Secondly, due to a recent order from the Federal Energy Regulatory Commission (FERC), who hold Yadkin's license. Yadkin is limited to authorizing the construction of fifteen (15) new piers a year on Narrows Reservoir. (Note: The Uwharrie Point development comes

under the order as a separate issue from the remainder of the reservoir, thus they are not included in the fifteen piers provided to Yadkin.)

Yadkin's discretion to issue a statement to potential developers about the number and location of possible residential or private piers in a development is based on Article 35 of our license. While, the first phase of Heron Bay will probably not have fifteen piers developed in the first year of sales, (as piers require a house to be under roof on a lot before a construction permit will be issued), Yadkin has interpreted the recent order of FERC as limiting our discretion on Narrows Reservoir.

Therefore, it is my recommendation that you submit development plans for the entire property and the EA to Yadkin for review. Upon our evaluation of the proposal as acceptable under Yadkin's specifications, we will then forward the application and EA to FERC along with our recommendation. This process could be as short as 90 days or it could take six (6) months or longer. I would like to mention however, that FERC may want to suspend the decision on the development until such time as Yadkin files the Bald Eagle Management Plan for Narrows Reservoir, due by April 15, 1995. However, it may be that your EA discussion regarding the impact of your development on the Bald Eagle and any mitigation you propose should an impact be determined, would be satisfactory to both the US Fish & Wildlife Service and FERC. If that is the case, a decision on your plan could be issued upon completion of review by all involved agencies. However, I wanted to make sure that you were aware of the complications at present for developments on Narrows Reservoir.

As we have discussed before Yadkin will also be requiring a 100 foot setback for all homes within the development where economically feasible. Randy Allen indicated to me that your developments always require a 50 foot setback from the property line, thus with the size of Yadkin's buffer in the area, it is conceivable that the 100 foot setback can be easily obtained for the majority of the lots. Furthermore, as a part of the FERC order, Yadkin will now require that restrictions on the removal of trees in this 100 setback be part of the deed restrictions for the development.

I appreciate your cooperation throughout this process and look forward to working with you in the future.

Sincerely,

Julia L. Larson
Resource Management Administrator

ENVIRONMENTAL CONCERNS

FOR

DEVELOPMENT OF HERON BAY

REPORT PREPARED BY
YADKIN, INC.
BADIN, NORTH CAROLINA

DECEMBER 1996

Yadkin, Inc.

Post Office Box 576
Badin, North Carolina 28009-0576



January 23, 1997

Mr. William Garith Allen
Vice President
Waterfront Properties, Inc.
Post Office Box 219
Matthews, North Carolina 28106

Re: Report
Environmental Concerns
For Development of Heron Bay

Dear Mr. Allen:

Enclosed please find Yadkin, Inc.'s review of the Environmental Assessment (EA) for the proposed Heron Bay Development.

The executive summary in the document provides an overview of the report findings. Other important and pertinent findings are presented in this cover letter.

It is imperative that Heron Bay Development adhere to the conditions as presented in the Declaration of Restrictive Covenants of Heron Bay Subdivision. Addressing all of the requirements in the Covenants, the Montgomery County Planning Board and the Yadkin, Inc. specifications will ensure that the environment is protected to the fullest extent. Following all of the requirements may mean, however, that the property cannot support maximum development.


Heron Bay is reminded that Yadkin has the responsibility to manage the FERC licensed project lands in an environmentally responsible manner as prescribed by several regulatory authorities. To that end, Yadkin, Inc. is especially concerned about the following areas:

- **Cultural Resources.** A thorough cultural resource survey needs to be conducted in the project area by a professional archeologist. The area is likely to be very important for cultural resources.
- **Wetlands.** Coordination with the COE is required to survey, delineate and permit any wetlands on the property.

- **Buffer Zone.** The Yadkin owned and managed buffer strip, including the littoral zone of Narrows Reservoir shall remain undisturbed. Fallen trees, including those partially submerged in the water, are providing excellent habitat for wildlife and shall remain in place.
- **Yadkin Recreational Specifications.** No variances in the Yadkin permitting requirements will be granted for any development activities. Yadkin granted permits for pier installation will be issued providing all conditions in the then-current specifications are met. Yadkin will address all safety related concerns. Yadkin's current specifications do not provide for cluster piers (as requested by the the developer), and it is not anticipated that the 1997 revisions will permit them. If any unauthorized activity occurs in the buffer strip or in the lake, no licenses will be issued.

If you have any questions or if we may assist you further, please give us a call at (704) 422-5633.

Very truly yours,


Norman L. Pierson
Vice President
Property and Relicensing

Enclosure

cc: Report Distribution List Attached

NN00:cc: J. E. Adams - Yadkin, Inc.
D. R. Poe - LeBoeuf, Lamb, Greene & MacRae
Henry Doby, Jr. - Doby & Beaver
S. H. Myers - Badin Works
Pat Shaver - Yadkin, Inc.
Robby Cole - Robco, Inc.

ENVIRONMENTAL CONCERNS FOR DEVELOPMENT OF HERON BAY

Report Dated: December 1996

Report Prepared by:

Yadkin, Inc.

P.O. Box 576

Badin, North Carolina 28009

David Brooks

Deputy State Historic Preservation Officer

NC Dept. of Cultural Resources

Division of Archives and History

109 East Jones Street

Raleigh, North Carolina 27601-2807

Bill Oliver, Archaeologist

NC Dept of Cultural Resources

Division of Archives and History

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NC Wildlife Resources Commission

Piedmont Region Coordinator

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Kenneth Knight, Wildlife Biologist

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Montgomery County Commissioner

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Mr. Phil Henley

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Judy Stevens, Executive Director

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Troy, North Carolina 27371

Wendy Bley - Long View Associates

Steve Padula - Long View Associates

Paul Shiers - Stone & Webster Engr. Corp.

Chuck Zimmerman - Dames & Moore

Max Laun - Alcoa, Pittsburgh

TABLE OF CONTENTS

EXECUTIVE SUMMARY

1.0 PURPOSE AND NEED FOR ACTION

- 1.1 INTRODUCTION
- 1.2 PERMITTING AUTHORITIES
 - 1.2.1 Yadkin
 - 1.2.2 U.S. Army Corps of Engineers
 - 1.2.3 Other Agencies

2.0 ISSUE IDENTIFICATION AND AGENCY INVOLVEMENT

- 2.1 DECISION TO PREPARE AN EA
- 2.2 RESPONSE TO EA
- 2.3 PRIMARY ISSUES IDENTIFIED
 - 2.3.1 Habitat Impacts
 - 2.3.2 Cultural Resource Impact
 - 2.3.4 General

3.0 AFFECTED ENVIRONMENT

- 3.1 GENERAL
- 3.2 NATURAL AND CULTURAL RESOURCES -
 - 3.2.1 Natural Resources
 - 3.2.2 Cultural Resources

4.0 CONCLUSIONS

- 4.1 GENERAL
- 4.2 LAND USE
- 4.3 WATER RESOURCES
- 4.4 HABITAT
- 4.5 CULTURAL RESOURCES
- 4.6 RECREATION

Yadkin, Inc.

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Badin, North Carolina 28009-0576



January 23, 1997

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Very truly yours,


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ENVIRONMENTAL CONCERNS FOR DEVELOPMENT OF HERON BAY

Report Dated: December 1996

Report Prepared by:

Yadkin, Inc.

P.O. Box 576

Badin, North Carolina 28009

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ENVIRONMENTAL CONCERNS FOR DEVELOPMENT OF HERON BAY

EXECUTIVE SUMMARY

A review of the Environmental Assessment (EA) for the proposed Heron Bay development indicates that the environmental consequences will result in a significant change in the land use pattern, a loss of wildlife habitat, a potential loss of cultural resources and will put an increased pressure on the recreational use of Narrows Reservoir.

The existing land use is primarily silvicultural. The plant community that now exists consists of mixed hardwoods (oak-hickory) with some pines, primarily shortleaf and Virginia. The wildlife that inhabits the project area will be displaced and will be forced to move to similar habitat nearby. The aquatic habitat in the littoral zone adjacent to the shoreline appears to support a wide variety of wildlife including fisheries, waterfowl, and wading birds. The aquatic habitat in this area consists of a rich assemblage of aquatic macrophytes including water willow, pickerelweed, lizard tail, and button bush. These areas not only provide cover for juvenile fish and other invertebrates, but also provide food for some species of waterfowl. There are wetlands on the project site that serve the important function of filtering and purifying any runoff water before it enters Narrows Reservoir.

The only species that has a protected status rating in the project area is the bald eagle. This species has been documented to occupy perch trees in the immediate vicinity of the Heron Bay development.

Since the project area is located in a significant archeological region there is a high probability that the project land contains a large number of important archeological sites.

There will likely be increased boating and other recreational pressure placed on Narrows Reservoir as a result of the proposed development. The carrying capacity of the reservoir, on selected days especially holiday weekends during the summer months may be expected to exceed the recommended boat usage of the reservoir.

1.0 PURPOSE AND NEED FOR ACTION

1.1 INTRODUCTION

Yadkin, Inc. (Yadkin) operates four hydroelectric generating stations on the Yadkin River in central North Carolina. The four reservoirs created by the dams are in descending order, High Rock, Tuckertown, Narrows (Badin Lake), and Falls Reservoirs. The electricity generated at the four hydroelectric stations supplies part of the electricity to operate the Badin Works smelter owned by the Aluminum Company of America (Company). Each of the Yadkin projects is regulated by the Federal Energy Regulatory Commission (FERC).

The environmental concerns have become particularly important during the past ten years as a result of the passage of the Electric Consumer Protection Act (ECPA) during 1986. ECPA requires that the FERC give equal consideration to non-power values such as water quality, fisheries, wildlife, recreation, historical and archeological issues, and other land use concerns. Yadkin as the licensee, has the responsibility for the proper management of these resources.

A 260-acre tract of land on the North shore of Badin Lake currently being developed, known as Heron Bay, will front along three miles of reservoir shoreline. The development plans call for a total of 269 lots on the tract of land, including 119 lots adjacent to a Company owned buffer strip. Land disturbing activities including clearing, and placement of infrastructure including roads and utilities is ongoing and houses are under construction as of this writing.

Yadkin received an Environmental Assessment (EA) that addresses environmental and regulatory concerns for the project. Several entities, including regulatory agencies have commented on the EA.

This EA evaluates the environmental consequences of approving, with the appropriate mitigation measures, the proposed development.

The objectives of this review include:

- ensure that the Environmental Assessment Specifications for all Proposed Commercial and Subdivision Developments (EAS) promulgated by Yadkin, Inc. are addressed in the EA. Address the scientific validity of conclusions specified in the EA
- address the conclusions reached by interested parties that commented on the EA
- make recommendations to Yadkin, Inc. for carrying out resource management responsibilities in view of the planned development.
- addressing the onsite environmental impacts of the planned development.

1.2 PERMITTING AUTHORITIES

In order to develop the proposed property and have access to Badin Lake, Heron Bay needs to have permits and/or approvals from several authorities as described herein. Through the consultation process other regulatory authorities will have input to the overall permitting process.

1.2.1 Yadkin

Yadkin has the responsibility to manage and control the FERC licensed project. Yadkin is also responsible for the environmental integrity of Badin Lane and the Company owned buffer strip between the shoreline and the adjacent property owners. The buffer strip extends from the normal full pool at elevation 541 contour to 545 contour, Yadkin datum. Yadkin also has the authority to grant pier licenses, and access to the water.

1.2.2 U.S. Army Corps of Engineers

Clean Water Act. The Section 404 program requires permits for dredge and fill activities and was originally enacted as part of the Federal Water Pollution Control

Amendments of 1972. The Act was further amended in subsequent years with an increased emphasis on the physical, chemical, and biological integrity of waters of the United States - including wetlands defined in 33 CFR.

1.2.3 Other Agencies

There are several other agencies that require permits and/or approvals for activities related to Heron Bay. These include:

- North Carolina (NC) Division of Environmental Management
- NC Division of Forest Resources
- NC Department of Cultural Resources
- NC Department of Environment, Health, and Natural Resources
- Montgomery County Planning Board

2.0 ISSUE IDENTIFICATION AND AGENCY INVOLVEMENT

2.1 DECISION TO PREPARE AN EA

Yadkin requires anyone developing or expanding a commercial facility or subdivision adjacent to the Company property to submit an EA (Environmental Assessment Specifications for All Proposed Commercial and Subdivision Developments – Yadkin, Inc., December, 1995). The purpose of the EA is to present and discuss the potential environmental effects of actions that are being proposed and what these effects may be on the resources (Badin Lake and the previously defined buffer strip).

2.2 RESPONSE TO EA

Responses were received from a total of seven (7) entities. The complete documentation of the responses are included in Appendix A through G.

Responses were received from:

- U.S. Army Corps of Engineers (USCOE) - Wilmington District Office, Wilmington, N.C.
- U.S. Department of the Interior, Fish and Wildlife Service, (FWS) Raleigh Field Office, Raleigh, NC.
- North Carolina Wildlife Resources Commission (NCWRC), Habitat Conservation Program - Raleigh, NC.
- North Carolina Department of Cultural Resources (SHPO), Raleigh, NC.
- County of Montgomery, County Manager, Troy, NC.
- Montgomery County, Economic Development Corporation (EDC), Chamber of Commerce, Troy, N.C.
- County of Montgomery, Mr. Brady Dickson, County Commissioner, Troy, N.C.

2.3 PRIMARY ISSUES IDENTIFIED

The agency and public comments were received and analyzed to identify important issues relevant to the proposed development. These are addressed in the subsequent analysis in this EA.

2.3.1 Habitat Impacts

The regulatory agencies including the USCOE and the NCWRC, comments pertain to habitat considerations. The USCOE specifically mentions wetland permitting requirements, and the need to survey and delineate wetlands on the Heron Bay Property, including future development.

The NCWRC comments pertain to the potential degradation (erosion of soil) and loss of wildlife, including fish habitat as a result of land disturbing activities. There will be a

loss of prime fish and wildlife habitat in the littoral zone of Badin Lake adjacent to the development should the construction of a sand beach, launch ramp, and placement of piers occur in this critical area. Water quality in Badin Lake may also be degraded.

2.3.2 Cultural Resource Impact

The State Historic Preservation Office (SHPO) recognizes the importance of this area for the historic and cultural resources. Based on the previous archeological research completed in the general area, the SHPO recommends a comprehensive survey be completed by an experienced archeologist prior to the initiation of any construction activities.

2.3.3 Economic Impacts

The comments received from Montgomery County are very positive. From their perspective the proposed development will greatly enhance growth, add to the tax base, and the overall economy of the County.

2.3.4 General

Letter from Yadkin. A letter, dated September 14, 1995, to Mr. Randy Allen, KEJ Marketing, Inc. (Heron Bay Development) from Mr. Norman Pierson, Yadkin, Inc. rescinded an earlier (October 24, 1994) conditional permit to construct piers and carry out dredging activities. This letter was prepared after agency biologists recommended against dredging, since that activity would cause adverse impacts to the fisheries and wildlife habitat.

3.0 AFFECTED ENVIRONMENT

This section provides a description of the natural (including water quality) and cultural resource features to be found in the area of the proposed development.

3.1 GENERAL

The EA has followed the format as specified in the EAS and has addressed most of the required topics specified in Yadkin's letter dated August 10, 1994. The EA includes location maps, project specified boundaries, types of permits, including a general description of each, required for the proposed development, and information on the developer. The report is supported with numerous data tables and follows an accepted format for scientific documents. The report is also illustrated with location maps and figures showing important ecological features such as aquatic vegetation beds.

3.2 NATURAL AND CULTURAL RESOURCES

3.2.1 Natural Resources

Plant Community. The predominant plant community in the development property is the dry-mesic oak hickory forest represented by several species of oak and hickory. There are also pine trees represented by the shortleaf, loblolly and Virginia species on the property.

Animal Community. There are several species of wildlife that are expected to occur in the project development; these include the white-tailed deer, opossum, rabbit, squirrel, and the grey fox. And several species of songbirds are expected to occur either as permanent residents such as the red tailed hawk, Carolina chickadee, nuthatch, cardinal and the rufous -sided towhee along with migrating species such as vireos, gnatcatcher, eastern wood pewee, and others.

Aquatic Biological Resources. Adjacent to the shoreline, and especially in the littoral zone, aquatic vegetation is very prevalent. The several species that occur include the water willow, lizard tail, pickerelweed, buttonbush and others. The EA discusses the advantage of predation of smaller fish at a lower stem density of aquatic macrophytes (e.g. water willow); and that intermediate structural complexity (piers) within a habitat will produce optimum conditions for the growth of game fish since presumably prey are more accessible and visible, since the piers will have created openings in the dense beds of water willow. These vegetation beds serve as critical habitat for several

species of vertebrates and invertebrates including fish, turtles, and amphibians, and waterfowl along with the wading birds that are prevalent in the project area. The discussion related to predator - prey relationships in the fish community lacks merit, and does not justify installation of piers in the littoral zone of Badin Lake in the Heron Bay development.

Wetlands

Based on the project description in the EA, the wetlands are small and tend to be located along the natural drainages in the project area. Although they are small and do not cover a large area, the wetlands serve an important function to purify and filter water prior to entering the Narrows Reservoir.

3.2.2 Cultural Resources

The Heron Bay property represents a high probability for containing archeological sites. The SHPO has documented a total of sixteen sites nearby at Uwharrie Point.

4.0 CONCLUSIONS

4.1 GENERAL

The proposed Heron Bay development will change the overall landscape, and surrounding environment. The 260 acres of natural wooded land that served as habitat for several species of wildlife, including mammals, birds and other species will be displaced to other locations. The land clearing activities, generally tend to cause increased erosion, thereby adding to the sediment and silt load going in to the adjacent waterbodies. The area, once wooded and in a natural state except for occasional timbering activities that occurred every few decades, will become a housing development, with other added support features including the infrastructure and amenities. Yadkin, as steward of the environment, and as mandated by the FERC

through its license (Project No. 2197 NC) to operate the hydropower facilities and manage the resources must enforce the policies that have been established (e.g. SAS). In order to accomplish this, management requirements imposed by Yadkin must be carried out by the Heron Bay developer and adjacent property owners.

4.2 LAND USE

Impacts to the current land use need to be minimized to the extent possible during construction. Any land clearing activities as part of the development will be required to follow the prescribed guidelines and/or permits as applicable by regulatory authorities and Yadkin. The vegetation that exists along the banks of perennial streams and Badin Lake is required to be left in a natural state. On the Company owned buffer strip adjacent to Badin Lake, there is to be no cutting of any trees, understory vegetation, or removal of fallen trees. All county setback and buffer requirements, as well as the 100-foot Bald Eagle Setback as indicated in previous Yadkin correspondence, shall be implemented.

Recommendation

Heron Bay development should implement and adhere to Best Management Practices (BMP) during construction. Where vegetation has been removed to establish roadways bank stabilization is being carried out by the use of silt fences and other retaining structures, and reseeded of vegetation is occurring. In the vicinity of the construction an erosion control fence had been erected along the Yadkin, Inc. property line parallel to the waters edge.

Detention/Sedimentation Basins. Detention/sedimentation basins to collect silt and other runoff, have been approved by the N.C. Department of Environment, Health and Natural Resources and are constructed properly; these are installed along the roads.

The Detention/Sedimentation basins need to be maintained on a regular basis and should be cleaned out as required and not be allowed to fill and overflow and let runoff enter the reservoir. Erosion control fences need to be installed along the Company property line and adjacent to the reservoir during construction of homes and other structures. The fences need to be installed properly according to specifications, and

Recommendation

maintained by removing excess material, as required, thereby preventing the fence from collapsing and allowing the silt to enter the waterbody. Records of installation and maintenance need to be kept.

Erosion. The bank is eroding severely at a few locations especially along the extreme southern land areas adjacent to the water. These areas are facing the open water and are exposed to wind and wave action that is serving to remove the soil and vegetation. The shoreline and buffer strip should be maintained in a native vegetation condition to stabilize the shore. Use of artificial stabilization methods should only be used as a last resort, and through consultation with Yadkin.

Recommendation

The shoreline that is being eroded due to wind and wave action is Yadkin owned property and is part of the FERC licensed hydropower project. The responsibility and control of this buffer zone is entirely up to Yadkin.

4.3 WATER RESOURCES

Water Quality Protection.

Badin Lake has a usage classification of WS-IV&BCA (NC Environmental Management Commission). This category includes waters protected as water supplies that are in moderately to highly developed watersheds, and places Badin Lake in the critical area.

Stringent regulations have been established for the critical area, which extends one-mile from the normal pool elevation of the reservoir. Land use regulations for the critical and protected areas affect discharge into the water source, land uses, densities, and landfills.

The statutory provision that requires local governments to adopt and administer the water supply watershed protection management requirements, procedures, and density

through its license (Project No. 2197 NC) to operate the hydropower facilities and manage the resources must enforce the policies that have been established (e.g. SAS). In order to accomplish this, management requirements imposed by Yadkin must be carried out by the Heron Bay developer and adjacent property owners.

4.2 LAND USE

Impacts to the current land use need to be minimized to the extent possible during construction. Any land clearing activities as part of the development will be required to follow the prescribed guidelines and/or permits as applicable by regulatory authorities and Yadkin. The vegetation that exists along the banks of perennial streams and Badin Lake is required to be left in a natural state. On the Company owned buffer strip adjacent to Badin Lake, there is to be no cutting of any trees, understory vegetation, or removal of fallen trees. All county setback and buffer requirements, as well as the 100-foot Bald Eagle Setback as indicated in previous Yadkin correspondence, shall be implemented.

Recommendation

Heron Bay development should implement and adhere to Best Management Practices (BMP) during construction. Where vegetation has been removed to establish roadways bank stabilization is being carried out by the use of silt fences and other retaining structures, and reseeding of vegetation is occurring. In the vicinity of the construction an erosion control fence had been erected along the Yadkin, Inc. property line parallel to the waters edge.

Detention/Sedimentation Basins. Detention/sedimentation basins to collect silt and other runoff, have been approved by the N.C. Department of Environment, Health and Natural Resources and are constructed properly; these are installed along the roads.

The Detention/Sedimentation basins need to be maintained on a regular basis and should be cleaned out as required and not be allowed to fill and overflow and let runoff enter the reservoir. Erosion control fences need to be installed along the Company property line and adjacent to the reservoir during construction of homes and other structures. The fences need to be installed properly according to specifications, and

and built-upon area standards is North Carolina General Statute 143-214.5(Chapter 143, Article 21). The minimum statewide management requirements established by the North Carolina Environmental Management Commission for WS-4 water supply watersheds are presented below: Montgomery County has adopted county ordinances in accordance with state requirements.

A summary of the requirements follows:

- The land within one mile of the normal pool elevations of the project area reservoirs is designated as a critical area (WS-IV-BCA). The counties have elected to use the low density option under the water supply watershed protection rules. A vegetative buffer with minimum width of thirty feet is required from the banks of all perennial streams or other waters.
- One hundred foot buffers are required where new development exceeds the low density requirements. In the WS-IV critical area, a maximum density of one dwelling unit per 1/2-acre and 24 percent built-upon area is permitted.
- In the remainder of the WS-IV watershed, a maximum density of one dwelling unit per 1/2-acre and 24 percent built-upon is permitted where curbs and gutters are used.
- One dwelling unit per 1/3-acre and 36 percent built-upon area is permitted for projects without a curb and gutter street system. The density requirements in the WS-IV watershed apply only to projects requiring a Sediment Erosion Control Plan (i.e., one-acre or more of land-disturbing activity).
- No new landfills are allowed in the WS-IV critical area.

Recommendation

Water Supply Watershed Protection Rules must be followed for the Heron Bay development.

Wetlands. The affected wetland areas were permitted under a Nationwide Permit No. 26. And BMP's as discussed in an earlier section are being employed in these areas.

Recommendation

Other wetlands in the project that will be affected will need individual permits. These permits should be secured from the appropriate agencies well in advance of any construction activities; and through consultation with Yadkin as appropriate.

Coordination with COE is required to survey, delineate, and permit any wetlands on the property.

4.4 HABITAT

Habitat. There appears to be abundant, excellent habitat for aquatic species, waterfowl, and wading birds in the littoral zone surrounding the Heron Bay development. The only exception to this statement is on the extreme southern borders of the land where the littoral zone is exposed to severe wind and wave action, and even in these areas there appears to be some presence of water willow in small beds. The remainder of the area in the coves and smaller inlets affords excellent habitat for species of fish, reptiles and amphibians, waterfowl, and wading birds including different species of herons. The water willow beds in the littoral zone are very dense and extensive (ca. 2.6 acres); and interspersed with the willows are other species of aquatic vegetation present, including lizard tail and pickerel weed. Figure 1.

Recommendation

These areas need to be protected to ensure that they remain productive habitat for the many species that utilize the areas. The BMP's need to be carried out during the development of the project; and the vegetation buffer zone described previously should be established and maintained throughout the life of the project to ensure the well being of the areas. Construction of piers, launch ramps, and other in-water structures should be prohibited within 50 feet of aquatic emergent vegetation. Unnecessary removal of downed trees in the lake should be prohibited.

4.5 CULTURAL RESOURCES

Cultural Resources. A background records investigation was conducted at the North Carolina Office of State Archeology. The result of the survey indicated that the Heron Bay Development property represents a high probability zone for archeological sites.

This fact is substantiated by the documentation of 16 archeological sites, during a survey conducted in 1991, immediately east of the Heron Bay property; and the number of documented sites in Montgomery County.

Recommendation

An archeological investigation should be conducted on the Heron Bay development property. This investigation should be conducted with an approved work plan after consultation with the State Historic Preservation Officer.

4.6 RECREATION

Badin Lake Use and Recreation. It appears that conclusions regarding boat use on Badin Lake have been reached by using data from a variety of sources; and that the information was collected over a five year period.

Recommendation

Recreational carrying capacity should be monitored to check for overcrowding conditions. Also, the current Yadkin, Inc. Specifications for Private Recreational Use Facilities should be followed when permitting any facilities.

APPENDIX A



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
WILMINGTON DISTRICT, CORPS OF ENGINEERS
P.O. BOX 1890
WILMINGTON, NORTH CAROLINA 28402-1890



May 23, 1996

Special Studies and
Flood Plain Services Section

Ms. Julia L. Larson
Yadkin, Inc.
Post Office Box 576
Badin, North Carolina 28009-0576

Dear Ms. Larson:

This is in reply to your April 8, 1996, letter requesting comments on the Environmental Assessment for the Heron Bay Development on Narrows Reservoir (Badin Lake), in Montgomery County, North Carolina. (Regulatory Branch Action ID #199603522.)

Our comments involve impacts to flood plains and jurisdictional resources, which include waters, wetlands, and U.S. Army Corps of Engineers projects. The proposed development would not have an impact on any Corps-constructed flood control or navigation project. Enclosed are our comments on the other issues.

We appreciate the opportunity to comment on this project. If we can be of further assistance, please contact us.

Sincerely,

C. E. Shuford, P.E.
Acting Chief, Engineering and
Planning Division

Enclosure

U.S. ARMY CORPS OF ENGINEERS, WILMINGTON DISTRICT, COMMENTS ON:

Environmental Assessment for the Heron Bay Development on Narrows Reservoir (Badin Lake), in Montgomery County, North Carolina (Regulatory Branch Action ID #199603522).

1. FLOOD PLAINS: POC - Bobby L. Willis, Special Studies and Flood Plain Services Section, at (910) 251-4728

Montgomery County is not a participant in the National Flood Insurance Program but has had flood hazard areas identified for the purpose of possible future program participation. However, from a review of the December 1980 Montgomery County Flood Insurance Study text, it does not appear that detailed flood elevation information was developed for Badin Lake. We suggest that the county be contacted to see if they have 100-year flood elevation information. The first damageable flood level of any new structures should be located at or above this level.

From a review of the Environmental Assessment (EA), Yadkin, Inc. controls a buffer within a 4-foot contour above the normal lake pool. This would provide some degree of flood protection for excluded structures.

2. WATERS AND WETLANDS: POC - Mr. Michael Hosey, Wilmington Field Office, Regulatory Branch at (910) 251-4441

a. Section 404 of the Clean Water Act jurisdictional areas are discussed beginning on page 12 of the EA. Impacts to 404 areas are discussed beginning on Page 29. We strongly suggest that the wetlands within the property boundaries be delineated, surveyed, and platted before you undertake any work in such areas. This mapping would help avoid any unintentional disturbance of wetlands, assist planning, and be essential to any permit application you might submit. Surveyed wetland lines, shown on property maps, must be field verified and confirmed in writing by a member of the Regulatory Branch. Department of the Army (DA) permit needs can then be evaluated based on the project plans and the location of jurisdictional areas.

b. The EA indicates that negotiations are in process with the Old North State Club at Uwharrie Point to purchase an additional 100 acres of land for the Heron Bay development. Our letter of August 13, 1991, (copy enclosed), to Mr. John Butters, agent for Uwharrie Point, mistakenly stated that both Nationwide Permits (NWP) 14 and 26 authorizations had been exhausted for that development. That statement is hereby revised to confirm that NWP 14 may be available on property purchased from Uwharrie Point by Heron Bay upon Corps review of the location and size of the road crossing. However, the above referenced letter correctly stated that NWP 26 authorization has been exhausted on Uwharrie Point and, therefore, is not available on any acreage that Heron Point may purchase from that entity.

U.S. ARMY CORPS OF ENGINEERS, WILMINGTON DISTRICT, COMMENTS ON:

Environmental Assessment for the Heron Bay Development on Narrows Reservoir (Badin Lake), in Montgomery County, North Carolina (Regulatory Branch Action ID #199603522).

2. WATERS AND WETLANDS: (Continued)

c. Most of your proposed shoreline development will be in wetland areas considered adjacent to Badin Lake. The impacts to these wetlands due to the construction of proposed piers and boat ramp may be authorized pursuant to General Permit (GP) 198200030. Construction of the sand swimming beach and clearing of the lake bed and 0.26 acres of vegetated wetlands along the shoreline of Lot #60 will require individual permit authorization.

d. The EA indicates that work has begun on the road system within the subdivision. The plans identify several wetland crossings. We concur with the determination that the 0.05 acres of wetlands impacted by these crossings are above the headwaters of Badin Lake. This work is authorized by NWP 26.

e. The map of the planned development (Figure 3) shows an area of "future development." As recommended in paragraph b. above, all wetlands in this area should be delineated, reviewed and approved by a member of the Regulatory Branch. Permit needs can then be assessed.

To ensure compliance with all DA regulations, please contact Mr. Hosey for an opportunity to discuss your development plans.

APPENDIX B



United States Department of the Interior

FISH AND WILDLIFE SERVICE

Raleigh Field Office
Post Office Box 33726
Raleigh, North Carolina 27636-3726

March 19, 1996

Ms. Julia L. Larson
Property & Relicensing Consultant
Yadkin, Inc.
P.O. Box 576
Badin, North Carolina 28009-0576

Dear Ms. Larson:

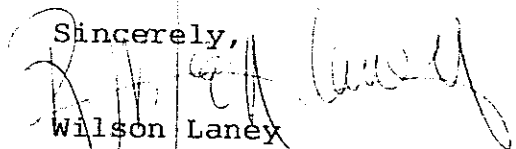
The U.S. Fish and Wildlife Service (Service) has reviewed the February 20, 1996 environmental assessment (EA) prepared by Environmental Services, Inc., as required by Yadin Inc., licensed by the Federal Energy Regulatory Commission (FERC) for the Heron Bay Development on Badin Lake (Narrows Reservoir), Montgomery County, in North Carolina. Our comments are provided in accordance with Section 7 of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531-1543) (Act).

Based on the information provided in the EA and the fact that there is no documented bald eagle nest on the lake or in the area of the proposed development, the Service has determined that this project is not likely to adversely affect the Federally-threatened bald eagle (Haliaeetus leucocephalus) or any other Federally-listed species, or their formally designated critical habitat, under the Endangered Species Act, as amended.

We believe that the requirements of Section 7 of the Act have been satisfied. We remind you that obligations under Section 7 consultation must be reconsidered if: (1) new information reveals impacts of this identified action that may affect listed species or critical habitat in a manner not previously considered; (2) this action is subsequently modified in a manner that was not considered in this review; (3) a new species is listed or critical habitat determined that may be affected by the identified action.

Thank you for your cooperation with our agency.

Sincerely,


Wilson Laney
Acting Supervisor

FWS/R4:CMartino:cm:3-19-96:919/856-4520:WP51:WORK\Heron-B.NE

APPENDIX C



☒ North Carolina Wildlife Resources Commission ☒

512 N. Salisbury Street, Raleigh, North Carolina 27604-1188, 919-733-3391
Charles R. Fullwood, Executive Director

MEMORANDUM

TO: Julia L. Larson, Property & Relicensing Consultant
Yadkin, Inc

FROM: Owen F. Anderson, Piedmont Region Coordinator
Habitat Conservation Program

DATE: April 2, 1996

SUBJECT: Environmental Assessment, Heron Bay Development, Badin Lake, Montgomery County, North Carolina

Staff biologists with our agency have completed review of the subject project as the project relates to fish and wildlife resources.

Badin Lake provides excellent habitat for largemouth bass, crappie, striped bass, sunfishes, and catfishes. In 1984, the average fish standing crop was 514 kg/ha. Based on angler survey in 1980-81, we estimated that fisherman spent 175,000 hours fishing on Badin Lake. Using an average of four hours per fishing trip, this effort would equal approximately 44,000 fishing trips/year. We believe that fishing effort has increased significantly and may have reached 55-60,000 trips in 1995. Although we have enacted successful management programs on Badin Lake, heavy fishing pressure and harvests have contributed to the need for additional harvest restrictions on largemouth bass and crappie. These restrictions were primarily designed to increase the survival of young fish.

Degradation of the remaining high quality habitat may cause a decline in the fishery and a decline in the quality and quantity of recreational opportunities on Badin Lake. While adverse impacts to Badin Lake can come from a number of sources, perhaps the greatest impact is from shoreline development.

Data collected by our biologists from electrofishing indicate that areas adjacent to water willow and tree laps yielded significantly greater numbers of largemouth bass (captures/hour) than areas without such cover. Therefore, we are concerned especially about the loss of water willow beds and tree laps that provide significant fish habitat. Tree lap removal has already been documented in the area (May 6, 1995). The shoreline of the Heron Bay development has significant quantities of water willow beds and other habitat. The proposed piers will directly disturb a significant quantity of the beds adjacent to this development. However, pier construction may only account for a minor portion of water willow destruction with secondary

impacts from swimmers, boat and jet ski operation, and plant removal by residents causing an equal or greater loss.

This high quality fish and wildlife habitat will also be subject to impacts from pesticides, herbicides, sediments and fertilizers from the development. We would expect to see more fisherman-landowner conflicts and a loss of high quality fishing area. Additionally, there will be loss of some waterfowl hunting in coves in proximity of houses and hunter-resident conflicts are inevitable. The other environmental impacts stated in our October 12, 1995 memorandum (Franklin T. McBride) are still valid and are of concern.

Adverse impacts are already resulting from the construction of temporary access roads. Roads have been placed in close proximity to the lake shore (about 10 feet from the water at one location) and in violation of NC Sedimentation Pollution Control Act. "It was also noted that off-site sedimentation damage had occurred into the lake and several contributing natural drainage ways as a result of erosion along these roads" (Joe Glass, DEHNR 8/30/95).

The environmental assessment in general adequately describes the existing environments. However, we question some of the conclusions concerning the impacts and offer the following comments and recommendations on the EA.

1. An active eagle nest was identified in 1995 in the Yadkin-Pee Dee River approximately 20 miles south of Heron Bay. Therefore, the statement (page 23), . . . "no nests are known from the surrounding region", is no longer valid. If suitable habitat can be maintained, we expect additional nesting to occur in the future.
2. On page 29-30, several stream culvert projects are discussed as being eligible for Nationwide 26 permitting. However, some of these culverts apparently have already been installed. Have the wetland impacts been delineated and certified by the Corps of Engineers? Culverts should be installed 12 inches below the stream bed to prevent fragmentation of aquatic habitats.
3. Water willow also provides significant wildlife habitat; however, there is no discussion of benefits except to fishes.
4. One of the detriments of placing piers through water willow beds are the secondary impacts. Landowners often remove water willow near their piers to allow access for swimming, wading, boating and jet skiing. Typically, a boat can not motor through a water willow bed without the propeller uprooting many stems of the plant. Along some areas of Heron Bay, a boat can barely be pushed through the dense water willow beds. Therefore, the argument of the potential for water willow to recolonize the areas is questionable.
5. The idea of beneficial impacts to game fish from fragmentation of water willow beds by pier construction lacks merit. Water willow, an emergent vegetation, does not make up a major portion of the habitat. Sufficient natural openings exist to provide access to prey by predators. Predatory fish in Badin Lake are in excellent body condition indicating that access to prey is not limiting. Finally, numbers of young fish are lower than desired, which tends to indicate nursery habitat is limiting.
6. The note that water willow has been successfully transplanted in several reservoirs is of interest. However, there was no data or success criteria discussed for the "successful" transplantations. We do not believe that recolonization by fragments is significant.

7. We question the statement that many areas are experiencing erosion from surface runoff and wave action. Currently most of the shoreline is relatively stable. Efforts should be taken to prevent the need for artificial shoreline stabilization. Maintaining wide riparian buffers of native forests and trees, retaining water willow beds, and installing stormwater best management practices including dissipating energy from any surface runoff will help to maintain the stability of the shore. If there are areas that need stabilizing, methods that utilize shrub plantings should be tried before using artificial means. Riprap should be used only as a last resort.
8. On page 34, the document discusses local wildlife and includes waterfowl such as great blue heron, belted kingfisher, mallard, ruddy duck, pied-bill grebe, and common loon that have been seen near developments. The document states that this suggests that these species have habituated to man. Resident non-migratory Canada geese and mallards are much more acclimated to human disturbance and may actually benefit from the development. Wood ducks are the only waterfowl species that nests in the area in significant numbers. Approximately 30 nest boxes have been installed on Badin Lake including coves in Heron Bay. Increased activity will likely cause a decline in use of the cove nest boxes and in nesting success.
9. The data for the boat surveys do not appear to have been collected by any standardized method. Information on time of day and weather conditions are not included. Additionally, on several occasions more boat trailers were counted at access points than boats on the lake. Since the document estimates that 16% of docked boats would be active during peak periods, the boats on the lake not accounted for could be significant. Therefore, we believe inferences from these data are unreliable and additional standardized statistically valid surveys should be performed prior to permitting future facilities.
10. The use of submerged fish attractors does not adequately mitigate the loss of tree laps that are partially emergent. Exposed portions of tree laps provide perching sites for birds, basking sites for reptiles, and oviposition for aquatic insects.
11. The document states (page 34) that the sports fishery is not expected to be adversely impacted by the Heron Bay Development. The installation of 68 piers, a sand beach, and boat ramp is likely to adversely affect water willow beds; a significant portion of the best fish habitat on Badin Lake. Therefore, we strongly disagree with this statement.

We appreciate Yadkin's efforts and cooperation in protecting the important public natural resources and recreational opportunities on Badin Lake and Yadkin Project Lands. We encourage Yadkin to take an aggressive proactive stand on protecting these resources from adverse impacts from developments such as Heron Bay and to strictly adhere to Yadkin's established policies concerning such developments. Although adverse impacts from Heron Bay will not be eliminated, we believe our previous recommendations in conjunction with established Yadkin policy will lessen the affects of development. Our previous recommendations are restated as follows:

1. Prohibit construction of piers, boats slips, boat landings, and other in water structures within 50 feet of aquatic emergent vegetation beds (water willow beds).
2. The established Yadkin, Inc. criteria for siting piers, launch ramps and other facilities should be strictly enforced.
3. Artificial shoreline stabilization should be avoided and used only as a last resort. Bulkheads should not be used.

4. We prefer that no shoreline vegetation be removed but would not object to narrow viewing corridors.
5. Soil disturbing activities and the operation of heavy equipment (bulldozers, backhoes, and skidders) by Heron Bay and adjacent landowners should be prohibited on Yadkin, Inc. property unless being used to restore fish and wildlife habitat with Yadkin, Inc. authorization.
6. Unnecessary removal of woody debris from the lake should be prohibited and a no net loss of aquatic cover should be enforced. Where removal of aquatic cover is unavoidable, up-front mitigation should be required at a ratio of 2:1 (i.e. two tree laps should be implanted for each one removed). Created cover should: 1) provide similar function, 2) be of similar size, 3) be of similar composition, and 4) be placed as near to the cover to be removed as possible. Shoreline trees should not be used to construct the mitigation structures. NCWRC biologists will be available to provide technical advice.
7. The removal or destruction of beds of water willow should be prohibited under all circumstances.

We appreciate the opportunity to participate in the review of this Environmental Assessment to assess impacts to Badin Lake and Yadkin Project Lands. We look forward to continuing to work with Yadkin, Inc. to protect these valuable resources. If we can provide further assistance, please contact our office at (919) 528-9886.

cc: Norm Pierson, Yadkin, Inc.
Anthony W. Mullis, Piedmont Fisheries Supervisor
Wayne Chapman, District 6 Fisheries Biologist
Ken Knight, District 6 Wildlife Biologist

APPENDIX D



North Carolina Department of Cultural Resources

es B. Hunt Jr., Governor
y Ray McCain, Secretary

Division of Archives and History
Jeffrey J. Crow, Director

March 15, 1996

Julia L. Larson
Property & Relicensing Consultant
Yadkin, Inc.
P.O. Box 576
Badin, NC 28009-0576

Re: Heron Bay Development, Narrows Reservoir,
Montgomery County, ER 96-8402

Dear Ms. Larson:

Thank you for your letter of February 20, 1996, concerning the above project.

The Environmental Assessment prepared by Environmental Services, Inc., for the Heron Bay development concludes the "property represents a high probability zone for . . . archaeological sites, both prehistoric and historic" (p. 24). However, there is no recommendation for an archaeological survey.

More than 1,000 archaeological sites have been recorded in Montgomery County and over 150 in Stanly County. We have determined the general nature, character, and distribution of archaeological remains in the Badin Lake region are very significant and contribute to a better understanding of local, state, and national history. We continue to gather information on a potential Badin Lake Archaeological District.

It is reasonable to assume unrecorded archaeological remains may exist within the proposed project area and that these resources may contribute to identification of the proposed archaeological district. This assumption is supported by the discovery of nine historic, seven prehistoric, and one multicomponent site(s) (31MG854-31MG868, 31MG870, 31MG118) on the adjacent Uwharrie Point property in 1991. One of these sites (31MG861) is in the proposed Heron Bay development and was determined not eligible for listing in the National Register of Historic Places. Sites 31MG856 and 31MG870 were recommended for additional testing to determine National Register status.

We recommend that a comprehensive survey be conducted by an experienced archaeologist to identify the presence and significance of archaeological remains that may be damaged or destroyed by the proposed project. Potential effects on unknown resources should be assessed prior to the initiation of construction activities.



Julia L. Larson
March 15, 1996, Page 2

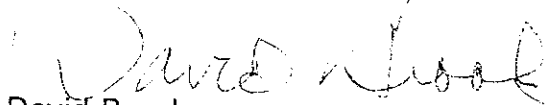
Enclosed is a list of archaeological consultants who have conducted or expressed an interest in conducting contract work in North Carolina. Individual files providing additional information on the consultants may be examined at the State Historic Preservation Office's Office of State Archaeology, 421 North Blount Street, Raleigh. If additional names are desired, you may consult the current listing of the members of the Society of Professional Archaeologists, or contact the society's current secretary/treasurer, David L. Carlson, Department of Anthropology, Texas A&M University, College Station, Texas 77843-4352, telephone 409/845-4044. Any of the above persons, or any other experienced archaeologist, may be contacted to conduct the recommended investigation.

We have conducted a search of our files and are aware of no structures of historical or architectural importance located within the planning area. However, since a comprehensive historical architectural inventory of Montgomery County has never been conducted, there may be structures of which we are unaware located within the planning area.

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 919/733-4763.

Sincerely,



David Brook
Deputy State Historic Preservation Officer

DB:slw

Enclosures

Julia L. Larson
March 15, 1996, Page 2

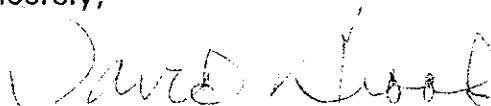
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Sincerely,


David Brook
Deputy State Historic Preservation Officer

DB:slw

Enclosures



North Carolina Department of Cultural Resources

James B. Hunt, Jr., Governor
Betty Ray McCain, Secretary

Division of Archives and History

CONSULTANTS AND CONSULTING FIRMS July, 1995

The following list is provided by the North Carolina State Historic Preservation Office (HPO) as a service to agencies, organizations and individuals planning to conduct terrestrial or underwater archaeological surveys, site evaluations, excavations, architectural surveys, or preparation of National Register nominations for review and compliance purposes. The list consists of names of firms and individuals who have previously conducted such studies in North Carolina or have otherwise notified the HPO of their interest in performing contracted studies. The HPO assumes no responsibility for the accuracy of this list and does not attest to the personal or corporate qualifications of persons or firms appearing hereon. Contracting agencies are encouraged to consult other listings of potential contractors such as the membership list of the Society of Professional Archaeologists, and to carefully examine the credentials of any firm or person contracted.

Additional details on the current listings, as well as information concerning HPO accepted contractual procedures, guidelines for report writing and review and professional qualifications are available through the Environmental Review Coordinator, State Historic Preservation Office, 109 E. Jones Street, Raleigh, North Carolina 27601-2807, 919/733-4763.

An asterisk (*) following the company name indicates that, at least, one principal investigator (PI) attended and completed the HPO's two-day Environmental Review and Compliance Laws and Procedures Workshop in 1992. A double asterisk (**) indicates that the consultant attended the HPO's 1993 Consultant's Workshop.



ARCHAEOLOGISTS

AF Consultants
6546 Haley Drive
Columbia, SC 29206
803/787-4169

contact: Dr. Lesley M. Drucker,
Owner

Appalachian Archeological Services*
Rt 7, Box 183
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704/262-6381
FAX 704/262-2982

contact: Dr. Harvard Ayers

Appalachian State University
Laboratories of Archaeological
Science (ASULAS)
Department of Anthropology
Boone, NC 28608
704/262-4899
704/262-2295
FAX 704/262-2982

contact: Dr. Larry R. Kimball, PI

Archaeological and Historical Consultants,
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101 North Pennsylvania Avenue
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Archaeological & Historical Services
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919/832-0429

contact: Thomas Hargrove, PI

Archaeology Laboratory*
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FAX 919/757-6759

contact: Dr. David Phelps, PD & PI

Louis Berger & Associates, Inc.* (**)
1001 E. Broad Street, Suite 220
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FAX 804/225-0311

contact: Dr. Kay Simpson,
Senior Archaeologist
& SE Region Project Manager

Blue Ridge Cultural Resources
PO Box 402
Boone, NC 28607
704/265-2613
704/262-4899

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FAX 404/662-5824

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FAX 804/379-1666

contact: Lyle E. Browning, PI

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Contact: Alain C. Outlaw,
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& Manager

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Archaeology Manager

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FAX 919/821-9103

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contact: Christopher Goodwin,
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contact: Barry Greenhouse,
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Senior Archaeologist & PI

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**Guidelines for Preparation
of
Archaeological Survey Reports
Office of State Archaeology
State Historic Preservation Office
N.C. Division of Archives and History
1988**

Title Page

Table of Contents

Management Summary

The management summary provides the contract sponsor (who is usually not an archaeologist), the report reviewer and other interested readers with a succinct but complete synopsis of the project. A management summary is similar to but generally more detailed than an abstract, and may be provided in lieu of an abstract. The length of a report dictates the length of its management summary; in most instances, the summary can be presented in less than two pages.

Checklist for management summary:

- * Project title and summary.
- * Clearinghouse or ER number (if available).
- * A brief statement of project goals and objectives (e.g., to locate and assess the significance of cultural resources).
- * A summary of the survey methodology (e.g., the survey involved a pedestrian walkover of the project area with 1.5' x 1.5' shovel tests placed at 50 ft. intervals).
- * A summary of the results, including:
 1. A list of sites found or investigated (using permanent state site numbers if available), and
 2. a summary of the information derived from the investigations (e.g., 45 sites were recorded during the project, representing 37 late Archaic components, 27 middle Archaic components, 17 early Woodland components and seven late Woodland components.) Three of the sites (31Ah43, 31Ah72 and 31Ah73) are considered eligible for inclusion in the National Register of Historic Places.
- * A summary of project recommendations for further investigations, no further investigations, site avoidance, etc., with specific references to sites fitting each category (e.g., two sites-- 31Ah43 and 31Ah72) will require additional testing for full evaluation of their significance; 31Ah73 should be avoided entirely if possible during project construction. The remainder of the sites are not considered significant; therefore, further work is recommended.

Physical Environment

The effective environment of the project area should be addressed. As explained by The Airlie House Report (McGimsey and Davis, 1977), the effective environment describes the environmental setting considering relevant factors such as geology, vegetation, climate and topography in as broad a context as possible. Frames of reference may be contemporary, historical, ethnographic, prehistoric--or any combination of these. Emphasis should be placed on the relationship of the environmental setting to the cultural resources of the study area (Airlie House, p. 73).

The project area and areas surveyed should be described in terms of acreage (or hectares) per each, and the present land use acreage (pasture, forest, plowed field, etc.) within each. These categories of information allow staff of the Office of State Archaeology to consider site densities, to evaluate the relative efficiencies of different means of site discovery and to allow comparisons of these means and methods across the state.

Checklist for physical environment:

- * Effective environment--should consider topographic setting, geology, hydrology, climatic history, flora and fauna as relevant to this archaeological investigation.
- * Total acreage or (hectares) of the project area.
- * Types of land use within the project area (a map delineating these areas is requested), including estimates of the acreage within each land use type.
- * Other environmental factors considered, as deemed relevant by the archaeologist.

Archaeological and Historical Background

This section locates the present project within the context of previous archaeological and historical work in the area. This creates the contexts for the research, the evaluation of the significance of the archaeological sites and the justification for the protection of, or data recovery at, significant sites.

This should be a technical presentation. However, this section also gives the funding agency (or the non-archaeologist) an understanding of the prehistory and history of the area.

Many times projects are located where no archaeological research has been conducted in the immediate vicinity. Prehistoric and historic contexts should still be presented in such instances. This context is necessary even if a regional perspective is the appropriate frame of reference. The length of this section will vary according to the project requirements.

When planning and conducting historical research for a project, it may be useful to divide the research into two phases. Rather than being a county history, the first phase of this research should focus on the area to be surveyed, and should be designed to determine major industries, periods of settlement or migration and prominent families and persons who might have lived in that area.

The second phase begins after fieldwork is completed. The direction of this phase is toward determining significance of individual historic archaeological sites found during fieldwork. A site with little archaeological significance may gain historical significance through its connection with important persons or events.

Results of Survey

This section describes sites located and materials recovered during the project. It is requested that isolated finds be identified and located on maps (or in discussion) if such finds are not defined as "sites." All sites discovered, whether in or out of the project area, should be described. It is understood that attention will not be focused on sites outside the project area. Simply note their location and any other available information. Description of project area sites should include specific location, size, amount and degree of disturbance, artifact density, cultural affiliation(s), materials recovered, methods of artifact recovery from the surface, methods and result of subsurface testing (if any) and project impact (primary and secondary) on each site. Historic and prehistoric sites should receive comparable descriptions. Standing structures within the project area should be noted as to location and apparent type. If appropriate, archaeological components associated with structures should be addressed. The use of tables is encouraged for presentation of data from large numbers of sites.

Recovered materials should be described by means of customary references to amount and type. The latter category can comprise individual traits such as raw material, temper, surface treatment, etc. and established morphological patterns or trait associations. Opinions as to site type (e.g., quarry, butchering camp, grist mill, etc.) should be included. Photos and drawings are encouraged as is the use of tabulated data for large quantities of information.

Checklist for results of survey:

- * Whether sites were located, and, if so, how many.
- * Individual site descriptions, including cultural affiliation and functional types.
- * Effects of project on individual sites.
- * Amount and type of materials recovered from each site.

Significance Evaluations

This section of the report, whether presented as a separate discussion or incorporated into the results section, establishes the framework for evaluating the significance of the sites identified during the survey. Significance evaluations must be presented with specific reference to eligibility criteria for inclusion in the National Register of Historic Places, and should be consistent with contemporary research interests of the archaeological community, not just those of the investigator. Evaluations must be justifiable, as well as consistent with the methods and techniques used to locate and investigate recorded sites.

It is insufficient to merely state that a site is or is not significant. For purposes of state and federal review, each evaluation must be framed by the research techniques, the information potential for local, regional, statewide, or national research problems, or the historical importance of the resources.

Checklist for significance evaluations:

- * An evaluation of each site located during the survey according to the criteria for inclusion in the National Register.
- * Justifications for all determinations of "significant" and "insignificant."

'End Notes'

A useful source when conducting overview research is "A Guide to Research Papers in the Archaeology of North Carolina on File with the Office of State Archaeology of the North Carolina Division of Archives and History." It is currently in Publications 13 and 15. Unpublished updates are grouped by calendar year and are available for use at the Office of State Archaeology. Staff will assist with useage of these bibliography sheets.

If there are any questions, please write or call the Office of State Archaeology, 109 E. Jones St., Raleigh, NC 27601-2807, (919) 733-7342.

APPENDIX E

'End Notes'

A useful source when conducting overview research is "A Guide to Research Papers in the Archaeology of North Carolina on File with the Office of State Archaeology of the North Carolina Division of Archives and History." It is currently in Publications 13 and 15. Unpublished updates are grouped by calendar year and are available for use at the Office of State Archaeology. Staff will assist with useage of these bibliography sheets.

If there are any questions, please write or call the Office of State Archaeology, 109 E. Jones St., Raleigh, NC 27601-2807, (919) 733-7342.

COUNTY OF MONTGOMERY

102 EAST SPRING ST. • P.O. BOX 425
TROY, NORTH CAROLINA 27371-0425
TELEPHONE: (910) 576-4221
FAX: (910) 576-4566

BOARD OF COMMISSIONERS

Charles Highsmith, Chairman
W. Dickson, Vice-Chairman
C. Bostic
Gary L. McCallum
Rick H. Taylor



OFFICERS

Gary S. McCaskill	County Manager
Janice G. Shaw	Finance Officer
Sally M. Morris	Register of Deeds
Russell J. Hollers	County Attorney
Jeff R. Jordan	Sheriff

June 11, 1996

Julia Larson
Resource Management Administrator
Yadkin, Inc.
P.O. Box 576
Badin, N.C. 28009-0576

Dear Ms. Larson:

I would like to offer my comments regarding the environmental assessment for the Heron Bay Development on Badin Lake.

In reviewing the environmental assessment on Heron Bay, I found nothing that would be damaging to the environment or to the Lake. This is a very well planned development and one that has taken great measures to safeguard our natural resources.

I encourage you to look favorably upon this development in a way that promotes growth for Montgomery County.

Sincerely,

Gary S. McCaskill
County Manager

GSMc:lbm

APPENDIX F

MONTGOMERY

C O U N T Y



A Golden Opportunity!

Economic Development
910-572-2575

June 5, 1996

Chamber of Commerce
910-572-4300

Julia Larson
Resource Management Administrator
Yadkin, Inc.
PO Box 576
Badin, NC 28009-0576

Dear Julia:

I would like to offer my comments regarding the environmental assessment for the Heron Bay Development on Badin Lake.

As you know, waterfront property is some of the most valuable property in the county and therefore one of our most taxable assets.

While I agree that the environment must be protected, I also realize that the best potential for housing development in Montgomery County is around the lakes. Last year Montgomery County was named one of the top ten counties in North Carolina for retirement living, and it is occurring on the lakes.

I encourage you to keep in mind that well planned communities such as Heron Bay provides the type of housing that will attract new people to our area as well as entice our young people to stay.

In my review of the environmental assessment on Heron Bay, I see no detriment to the environment or to the lake in allowing this development to continue as planned. I urge you to make your decisions regarding this and other development in a way that promotes growth in Montgomery County.

Sincerely,

Judy W. Stevens, Director
Montgomery Economic Development Corporation

JWS:hs

APPENDIX G

APPENDIX G

COUNTY OF MONTGOMERY

102 EAST SPRING ST. • P.O. BOX 425
TROY, NORTH CAROLINA 27371-0425
TELEPHONE: (910) 576-4221
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BOARD OF COMMISSIONERS

Dr. Charles Highsmith, Chairman
Brady W. Dickson, Vice-Chairman
Ralph C. Brizio
Pattley L. McCaslin
Frederick H. Taylor



OFFICERS

Gary S. McCaslin	County Manager
Janice S. Shaw	Finance Officer
Sally M. Morris	Register of Deeds
Russell J. Holmes	County Attorney
Jeff R. Jordan	Sheriff

June 28, 1996

Julia Larson
Resource Management Administrator
Yadkin, Inc.
P.O. Box 576
Badin, N.C. 28009-0576

Dear Ms. Larson:

I would like to offer my comments regarding the environmental assessment for Heron Bay Development on Badin Lake.

In reviewing the environmental assessment on Heron Bay, I found nothing that would be harmful to the environment or damaging to the lake. This development adds greatly to the Montgomery County tax base and I encourage you to look favorably upon their request.

Sincerely,

Brady Dickson
Montgomery County Commissioner