

DEPARTMENT OF THE ARMY
Wilmington District, Corps of Engineers
Post Office Box 1890
Wilmington, North Carolina 28402-1890

Action ID No. 200703775

March 7, 2008

PUBLIC NOTICE

INTERESTED PARTIES: The District Engineer, Wilmington District, proposes to issue an order assessing a Class I Administrative Penalty against the Riversound Development for a violation of permits granted under Section 404 of the Clean Water Act.

PERMITS INVOLVED AND ALLEGED VIOLATION: The Department of the Army issued Nationwide Permit No. 14 (Action ID 200632436) on September 11, 2006, and Programmatic Regional General Permit No. 198000291 (Action ID 200640764) on October 11, 2006. These permits authorized the development of a residential subdivision, including the construction of access roads and a boatramp, on property at the Riversound Development, located off the north side of State Road 1100, approximately 1.2 miles east of NC Highway 32, adjacent to the Yeopim River and Middleton Creek, near Edenton, in Chowan County, North Carolina.

Permit Nos. 200632436 and 200640764 were violated as follows:

Riversound Development failed to comply with special condition 2. of the subject permits, which state that, "No excavated or fill material shall be placed at any time in any vegetated wetlands or surrounding waters outside of the alignment of the fill areas indicated on the attached work plan drawings (File number 06-015, dated 7-27-06, titled Waterfront Group Riversound Project)."

The subject permits also state that "Your work is authorized by the above referenced permit provided it is accomplished in strict accordance with the attached conditions and your submitted plans (File number 06-015, dated 7-27-06, titled Waterfront Group Riversound Project)."

The permit also states that "The permittee shall preserve and maintain 133.64 acres of Department of the Army jurisdictional wetlands as surveyed on the attached plat titled Wetland Boundary Survey Plat on Phase 1 of Riversound. The permittee is prohibited from performing any of the following activities on the property: Filling; grading; excavating; earth movement of any kind; construction of roads, walkways, buildings, signs, or any other structure; any activity that may alter the drainage patterns on the property; the destruction, mowing, or other alteration of vegetation on the property;

disposal or storage of any garbage, trash, or other waste material; or any other activity which would result in the wetlands being adversely impacted or destroyed.”

Riversound Development constructed additional access roads on the property outside of the alignment of the authorized roadways without complying with these permit conditions. The violations were also within the preservation area required by the permit.

The roadways remained in place for approximately 29 days before the project site was restored.

AUTHORITY FOR PROCEEDING: This Administrative Penalty proceeding is initiated under the authority of 33 U.S.C. 1319(g) and 33 CFR Part 326.6. The procedure for assessing civil penalties in cases such as this is set out in the statute and the regulation. Following the discovery and investigation of a violation of a permit, notice is given to the permittee, the appropriate state agency, and the public. The permittee, the state, or any member of the public may file comments within 30 days. If requested by the permittee, a hearing will be held before a Presiding Officer who will submit a report and recommend a decision to the District Engineer. The District Engineer will issue a Final Order on the case to the permittee. Public participation in the hearing is permitted if a hearing is held.

PENALTY PROPOSED: The amount of the penalty proposed in this case is \$27,500. This proposal is subject to revision in the interest of justice after all evidence and comments have been received and reviewed. The amount of the penalty that the District Engineer is authorized to assess as a Class I Penalty is \$11,000 per violation and not more than \$27,500 total. In a case involving multiple violators, each violator is subject to a separate, not joint, penalty.

REQUEST FOR HEARING: The permittee has 30 days following receipt of this formal notice of proposed penalty to request a hearing. Written request, by the permittee, for a hearing should be directed to the District Engineer within this designated comment period and must state the specific reasons for requesting a public hearing. The request should specify, in summary form, the factual and legal issues in dispute and the specific grounds for defense. The permittee has a right to present evidence at the hearing; however, he may not challenge the permit condition or limitation, which is the subject matter of this order.

COMMENTS/ADMINISTRATIVE RECORD: During the 30 day comment period, any person may submit written comments on the proposed Penalty Order. These comments should be sent to the District Engineer by 4:30 p.m., April 7, 2008. Any submitted comments will be included in the administrative record relating to the Proposed Order. All information submitted by the permittee and persons commenting on the Proposed Order will be placed in the administrative record, which will be available for inspection during regular business hours at the U.S. Army Corps of Engineers, Wilmington District, 69 Darlington Avenue, Wilmington, North Carolina. (The

administrative record is subject to the provisions of law restricting the disclosure of confidential information.) Comments should be directed to:

U.S. Army Corps of Engineers
ATTN: Justin McCorcle (CESAW-OC)
PO Box 1890
Wilmington, North Carolina 28402

PUBLIC HEARING: The permittee and all persons who file comments will be given notice of any hearing held on this case. The permittee and all commenters will have a reasonable opportunity to be heard and to present evidence at such hearing, if a hearing is held.

FINAL DECISION: If the permittee does not request a hearing, the District Engineer may issue the Final Order on this violation on or after 30 days following receipt of this formal notice by the permittee.

POST DECISION HEARING/APPEAL: Any Final Order issued under these procedures shall become effective 30 calendar days following its issuance unless (1) a petition to set aside the order and to hold a hearing is filed by any person who commented on the Proposed Order and the petition is granted, or (2) an appeal to the United States District Court is taken under 33 U.S.C. 1319(g)(8).