

March 5, 2012 8:30 A.M.

**JONES COUNTY BOARD OF COMMISSIONERS
REGULAR MEETING**

**JONES COUNTY OFFICE COMPLEX – COMMISSIONERS’ ROOM
MINUTES**

COMMISSIONERS PRESENT:

Zack Koonce, Chairman
Frank Emory, Vice-Chairman
Sondra Ipock-Riggs, Commissioner
Joseph Wiggins, Commissioner
Mike Haddock, Commissioner

OFFICIALS PRESENT:

Franky J. Howard, County Manager
Jennifer King, Clerk to the Board
Jimmie B. Hicks, County Attorney

The Chairman called the meeting to order and gave the invocation. A **MOTION** was made by Frank Emory, seconded by Joseph Wiggins, and unanimously carried **THAT** the agenda be approved with the following additions:

6. BROCK MILL POND DEED

7. WATER METER PROJECT

MOTION made by Mike Haddock, seconded by Frank Emory, and unanimously carried **THAT** the minutes of February 20, 2012, be approved.

1. PUBLIC HEARING – VOLUNTARY AGRICULTURAL DISTRICTS ORDINANCE

MOTION made by Sondra Ipock-Riggs, seconded by Joseph Wiggins, and unanimously carried **THAT** the Board go into public hearing.

The Board discussed changes to the Voluntary Agricultural Districts Ordinance. Ivy Reid, Extension Director, explained that the changes were approved by the Voluntary Agricultural Board with the exception of the suggested change concerning the Register of Deeds.

There were no public comments.

MOTION made by Joseph Wiggins, seconded by Frank Emory, and unanimously carried **THAT** the Board go out of public hearing.

MOTION made by Mike Haddock, seconded by Frank Emory, and unanimously carried **THAT** the Board approves the Voluntary Agricultural Districts Ordinance changes as presented, with no changes to the Register of Deeds processing.

PUBLIC COMMENT PERIOD:

There were no public comments.

2. DEBT SETOFF REFUNDS

MOTION made by Joseph Wiggins, seconded by Sondra Ipock-Riggs, and unanimously carried **THAT** debt setoff refunds be approved as presented. A copy of the refunds is marked Exhibit A and is hereby incorporated by reference and made a part of these minutes.

3. INVOICE – SUMRELL, SUGG, CARMICHAEL, HICKS & HART, P.A.

MOTION made by Sondra Ipock-Riggs, seconded by Frank Emory, and unanimously carried **THAT** an invoice from Sumrell, Sugg, Carmichael, Hicks & Hart, P.A. be approved for payment as follows:

| | |
|---------------------------------|------------|
| Economic Development Commission | \$35.00 |
| General Legal | \$3,960.82 |
| Brock Mill Pond | \$618.10 |

4. BUDGET AMENDMENTS NUMBER 16 THROUGH 18

MOTION made by Joseph Wiggins, seconded by Frank Emory and unanimously carried **THAT** Budget Amendments Number 16 through 18 be approved as presented. A copy of the amendments is marked Exhibit B and is hereby incorporated by reference and made a part of these minutes.

5. INTERLOCAL AGREEMENT – REGIONAL EMERGENCY COMMUNICATIONS CENTER

Franky Howard, County Manager, presented a copy of the Interlocal Agreement for a Regional Emergency Communications Center. Mr. Howard explained that the grant process requires this agreement be adopted by both Lenoir and Jones Counties. Joseph Wiggins asked if a decision had been made as to where the main communications facility would be located. Mr. Howard explained that after much debate and a review of costs the present facility in Lenoir County would most likely be renovated rather than building a new facility. It has been determined that approximately 15,000 square feet will be needed for the main center and the back-up center that will be located in Jones County will be approximately 5,000 square feet. The Jones County back-up center would also be used as a training facility in order to ensure that dispatchers are familiar with Jones County.

MOTION made by Joseph Wiggins, seconded by Frank Emory, and carried **THAT** the Interlocal Agreement for a Regional Emergency Communications Center be approved. Sondra Ipock-Riggs **OPPOSED**.

Joseph Wiggins asked how long the contract was for and Mr. Howard explained the contract is a ten-year contract as required for grant funding. Mrs. Ipock-Riggs expressed her concerns with the amount of E911 funds were going to be spent on this project and that Lenoir County Commissioners would be over the main dispatch facility.

6. BROCK MILL POND DEED

Mr. Howard discussed the draft version of the deed and conservation easements for the Brock Mill Pond that Jones County received from the State. Zack Koonce questioned whether the County Attorney had looked over the contract. Jimmie Hicks explained that he has looked over the contract and that the State is giving the property subject to the conservation easements. It was understood that, if approved, in the future the County would be responsible for maintaining the property but the State would continue to be able to dictate how the property is used. Jimmie Hicks was asked what benefit it would be for Jones County to approve the deed if the State continues to have control over the property. Mr. Hicks and Mr. Howard explained that the Brock Mill Pond is the County's identity. Joseph Wiggins stated that if the former owners couldn't afford to keep up the Mill Pond then the County can't afford it either. Mr. Howard explained that the County can obtain government grants to help with costs associated with the Mill Pond.

MOTION made by Mike Haddock, seconded by Frank Emory, and unanimously carried **THAT** the Deed and Conservation Easements for the Brock Mill Pond be approved, a copy of which is marked Exhibit C and is hereby incorporated by reference and made a part of these minutes.

7. WATER METER PROJECT

Mr. Howard explained that the water meter replacement project is necessary. When the current meters were installed thirty-seven years ago the County was told the life expectancy of the meters was fifteen years. Mike Haddock explained that one benefit of the new meters is that we will be able to detect leaks immediately rather than water leaking for a month before we realize there is a problem. Earlier detection of leaks will help bring down the percentage of water loss for the County and also help reduce or eliminate fees charged to the County for over usage of water aquifers.

MOTION made by Mike Haddock, seconded by Frank Emory, and unanimously carried **THAT** the County proceed with the water meter replacement project at a cost of approximately \$2,015,000 to be funded by the North Carolina Department of Environment and Natural Resources, Division of Water Resources, Loan and/or Grant for a Water Supply System Project.

COUNTY MANAGER'S REPORT

Mr. Howard informed the Board that the State Employees Credit Union is interested in purchasing road front land in the Industrial Park from the County. A discussion was held concerning a fair price for the property. No decisions were made.

COMMISSIONER'S REPORTS

Zack Koonce -

Mr. Koonce discussed the assembly day to be held on March 19, 2012, at 10:00 a.m. Some discussion was held as to why the Board was not aware of the assembly day prior to invitations being sent out.

MOTION made by Mike Haddock, seconded by Frank Emory, and unanimously carried
THAT the meeting be adjourned at 10:00 a.m.

Joseph F. Wiggins
Chairman

Jennifer King
Clerk to the Board

EXHIBIT A

DEBT SET-OFF REFUND REPORT

02/28/2012 **REVISED#2** 2/29/12

2

| NAME & ADDRESS | AMOUNT | ACC'T # |
|--|----------|---------|
| BOBBY STEVEN JONES JR 2911 HAZEL HILL RD KINSTON, NC 28504 | \$86.24 | 22477 |
| MATTHEW E. MERCER 5219 HWY 58N KINSTON, NC 28501 | \$68.59 | 28183 |
| LISHA M. WARD 109 HAITI ST PO BOX 563 TRENTON, NC 28585 | \$91.16 | 25879 |
| THOMAS J. BANKS 1640 TEN MILE FORK RD TRENTON, NC 28585 | \$34.87 | 20532 |
| KATHRYN F. SMALL 108 MARKET ST TRENTON, NC 28585 | \$57.89 | 31423 |
| GLENDA S. HOWARD PO BOX 338 POLLOCKSVILLE, NC 28573 | \$148.93 | 29482 |
| GENENIEVE MENDONCA PO BOX 232 MAYSVILLE, NC 28555 | \$90.17 | 30381 |
| | \$577.85 | |

EXHIBIT B

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Budget Amendment

Date: 3/5/2012

Fund: General Fund

Fiscal Year: 2011-2012 Amendment # 16

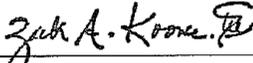
Increase Expenditures

| | | | |
|--------------------------|------------------------|-----------------|-------------|
| Healthy Carolinians | FICA | 11-5199-5181-00 | \$93.96 |
| Healthy Carolinians | Retirement | 11-5199-5182-00 | \$80.96 |
| Healthy Carolinians | Retirement | 11-5199-5182-00 | \$26.01 |
| Healthy Carolinians | Retirement | 11-5199-5182-00 | \$12.79 |
| Care Coord. For Children | Insurance- WC | 11-5163-5458-00 | \$57.00 |
| Health Promotion | Miscellaneous | 11-5151-5299-00 | \$1,241.21 |
| TPPI | Educational Exp. | 11-5195-5395-00 | \$1,384.26 |
| TPPI | Repair Off. Equip. | 11-5195-5352-00 | \$2,000.00 |
| TPPI | Lease Purchase- Copier | 11-5195-5512-04 | \$1,000.00 |
| Health Promotion | Miscellaneous | 11-5151-5299-00 | \$2,172.19 |
| Health Promotion | Office Supplies | 11-5151-5260-00 | \$267.92 |
| Bioterrorism/Prep. | Mileage | 11-5189-5311-00 | \$350.00 |
| Bioterrorism/Prep. | Telephone | 11-5189-5321-00 | \$3,000.00 |
| Communicable Disease | Supplies-Medical | 11-5191-5239-00 | \$543.00 |
| Communicable Disease | Miscellaneous | 11-5191-5299-00 | \$200.00 |
| TOTAL | | | \$12,429.30 |

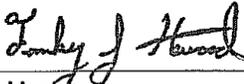
Decrease Expenditures

| | | | |
|--------------------------|-----------------|------------------------------------|------------|
| Healthy Carolinians | Hospitalization | 11-5199-5183-00 | \$93.96 |
| Healthy Carolinians | Hospitalization | 11-5199-5183-00 | \$80.96 |
| Healthy Carolinians | Salaries | 11-5199-5121-00 | \$26.01 |
| Healthy Carolinians | Miscellaneous | 11-5199-5299-00 | \$12.79 |
| Care Coord. For Children | Insurance-Bonds | 11-5163-5444-00 5458-00 | \$57.00 |
| Health Promotion | Salaries | 11-5151-5121-00 | \$1,007.25 |
| Health Promotion | FICA | 11-5151-5181-00 | \$74.20 |
| Health Promotion | Retirement | 11-5151-5182-00 | \$70.40 |
| Health Promotion | Hospitalization | 11-5151-5183-00 | \$89.36 |
| TPPI | Salaries | 11-5195-5121-00 | \$3,002.19 |
| TPPI | FICA | 11-5195-5181-00 | \$359.20 |
| TPPI | Retirement | 11-5195-5182-00 | \$210.27 |
| TPPI | Hospitalization | 11-5195-5183-00 | \$812.60 |
| Health Promotion | Salaries | 11-5151-5121-00 | \$1,886.87 |

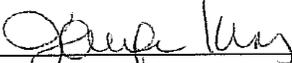
| | | | |
|----------------------|-----------------|-----------------|-------------|
| Health Promotion | FICA | 11-5151-5181-00 | \$152.84 |
| Health Promotion | Retirement | 11-5151-5182-00 | \$132.48 |
| Health Promotion | Hospitalization | 11-5151-5183-00 | \$267.92 |
| Bioterrorism/Prep. | Salaries | 11-5189-5121-00 | \$350.00 |
| Bioterrorism/Prep. | Salaries | 11-5189-5121-00 | \$3,000.00 |
| Communicable Disease | Hospitalization | 11-5191-5183-00 | \$743.00 |
| TOTAL | | | \$12,429.30 |



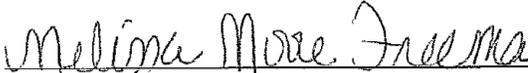
 Chairman



 County Manager



 Clerk to the Board



 Finance Officer

Budget Amendment

Date: 3/5/2012
Fund: General
Fiscal Year: 2011 - 2012 Amendment #17

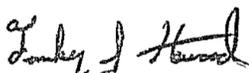
Increase Revenues

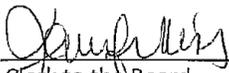
| | | | |
|----------------------|---------|-----------------|-----------|
| Family Planning | Revenue | 11-0211-4516-06 | 8,875.00 |
| Communicable Disease | Revenue | 11-0211-4519-10 | 2,220.00 |
| Total | | | 11,095.00 |

Increase Expenditures

| | | | |
|----------------------|-------------------------|-----------------|-----------|
| Family Planning | Supplies-Medical | 11-5164-5239-00 | 8,875.00 |
| Communicable Disease | Supplies/Demo/Traininin | 11-5191-5231-00 | 2,220.00 |
| Total | | | 11,095.00 |


Chairman


County Manager


Clerk to the Board


Finance Officer

Budget Amendment

Date: 3/5/2012

Fund: General

Fiscal Year: 2011 - 2012 Amendment #18

Increase Revenues

Welfare Administration 11-0212-4531-00 27,320.00

Total 27,320.00

Increase Expenditures

Crisis Intervention Prevention Allocation 11-5480-5497-00 27,320.00

Total 27,320.00

Zak A. Konecny
Chairman

Tommy J. Howard
County Manager

Jennifer
Clerk to the Board

Melina Moore Free
Finance Officer

EXHIBIT C

STATE OF NORTH CAROLINA P.I.N. # 4498-10-3973-00

COUNTY OF JONES

PREPARED BY Tammy A. Bouchelle
& Assistant Attorney General

RETURN TO: North Carolina Department of Justice
Transportation Section

1505 Mail Service Center

Raleigh, North Carolina 27699-1505

The hereinafter described Property does not include a primary residence.

NON-WARRANTY DEED

THIS NON-WARRANTY DEED, made this the ____ day of March, 2012, by the **NORTH CAROLINA DEPARTMENT OF TRANSPORTATION**, a body politic and corporate of the State of North Carolina (“Grantor” or “NCDOT”), having an address of 1501 Mail Service Center, Raleigh, North Carolina 27699-1501, to the **COUNTY OF JONES**, having an address of c/o County Manager, Post Office Box 340, Trenton, North Carolina 28585 (“Grantee”).

The designation Grantor and Grantee (collectively, the “Parties”) as used herein shall include said Parties, their heirs, successors, assigns, respective agents, executors, administrators, grantees, devisees, licensees, and/or all other successors as their interests may appear, and shall include singular, plural, masculine, feminine or neuter as required by context. 2

WITNESSETH:

Grantee has requested that NCDOT convey to it a parcel consisting of **137.22 acres**, more or less, which NCDOT deems surplus.

NCDOT has authorized the execution of this instrument; the North Carolina Board of Transportation, acting upon the request of NCDOT, approved the conveyance of the Property more particularly described below and authorized NCDOT to execute and deliver this instrument to the Grantee;

The Council of State at a meeting held in Raleigh, North Carolina, approved this conveyance.

For good and valuable consideration acknowledged by both NCDOT and Grantee, the benefits of which flow to NCDOT and Grantee from each other, the receipt of which is hereby acknowledged, and in further consideration of the mutual covenants, terms, conditions and restrictions contained herein, NCDOT has bargained and sold and by these presents does hereby bargain, sell and convey unto Grantee, its successors and assigns, in fee simple, all of that certain tract or parcel of land situate, lying and being in Trenton Township, Jones County, North Carolina, and more particularly described as follows:

That certain tract of land containing **137.22 acres**, more or less, located in Trenton Township, Jones County, North Carolina, owned in fee simple and described more particularly in Deed Book 292, Page 844; Deed Book 287, Page 633; Deed Book 156, Page 636; Deed Book 153, Page 185; Deed Book 153, Page 184; Deed Book 106, Page 298; Deed Book 44, Page 401; and Deed Book 44, Page 129 of the Registry of Jones County, North Carolina; and being described according to a plat or survey found at Plat Cabinet B, Slide 362, Pages 5-6; and Plat Cabinet B, Slide 363, Pages 1-2 of the Registry of Jones County, North Carolina (the "Property"). 3

It is understood by the Parties that the conveyance of the Property by NCDOT to Grantee includes, but is not limited to, the conveyance of Brock Mill Pond, the dam associated with the Pond, and the Brock Mill Pond Mill House.

Let it be known that the Parties contemporaneously file herewith a **CONSERVATION EASEMENT AND EASEMENT OF INGRESS AND EGRESS IN PERPETUITY**. The conveyance made by this Non-Warranty Deed is expressly made subject to that certain Conservation Easement and Easement of Ingress and Egress in Perpetuity.

It is further understood that this conveyance is conditioned upon Grantee's use of the Property solely as a public park. In the event that the Property ceases to be used solely for said purpose, then title to the Property shall automatically revert to NCDOT, and NCDOT shall, in such event, have the immediate right to re-enter and terminate the estate of Grantee. The Parties further agree that in the event of such reversion, NCDOT has the right to demand and require that Grantee execute a deed of reconveyance to NCDOT, and Grantee hereby agrees to execute any such reconveyance necessary to effectuate the reversion.

This conveyance is made subject to any underground or above-ground utilities in existence at the time of this conveyance to Grantee, and is subject to any recorded and/or unrecorded easements known and visible within the boundaries of the Property conveyed hereby. In the event Grantee should desire the utilities to be relocated or removed, the costs of such relocation or removal shall be borne by Grantee.

To have and to hold the above-described lands and premises together with all privileges and appurtenances thereunto belonging to the said Grantee, its successors and assigns, free and discharged from all title of NCDOT, subject to any restrictions, easements, or reservations set forth herein. NCDOT makes no warranty, expressed or implied, as to title to the Property hereinabove described. NCDOT hereby conveys the Property, and Grantee accepts the same, with the Property in an "AS IS," "WHERE IS" condition. 4

IN WITNESS WHEREOF, the North Carolina Department of Transportation hereunto sets its hand and seal on the day and year first above written.

**NORTH CAROLINA DEPARTMENT
OF TRANSPORTATION**

_____ (SEAL)
[NCDOT SEAL] TERRY R. GIBSON, PE
STATE HIGHWAY ADMINISTRATOR
DIVISION OF HIGHWAYS

ATTEST: _____

TAMMY DENNING
Secretary to the Board of Transportation
and Custodian of the Seal of the
Department of Transportation 5

NORTH CAROLINA
WAKE COUNTY

This day, **TAMMY DENNING**, personally appeared before me _____, a Notary Public of _____ County, North Carolina, who being by me duly sworn, says that she knows the Seal of the North Carolina Department of Transportation and is acquainted with Terry R. Gibson, who is State Highway Administrator of the Division of Highways of said Department, and that she, Tammy Denning, is the Secretary to the North Carolina Board of Transportation and Custodian of the Seal of the North Carolina Department of Transportation, and saw said State Highway Administrator sign the foregoing Non-Warranty Deed, and that she, the said Secretary to the North Carolina Board of Transportation and Custodian of the Seal of the North Carolina Department of Transportation, affixed said seal to said Non-Warranty Deed and signed her name in attestation of the execution thereof in the presence of said State Highway Administrator, Terry R. Gibson. Witness my hand and official stamp or seal this ____ day of _____, 2012.

Notary Public Signature

SEAL _____ Printed Name of Notary Public

My commission expires: _____

STATE OF NORTH CAROLINA P.I.N. # 4498-10-3973-00
COUNTY OF JONES

PREPARED BY Tammy A. Bouchelle
& Assistant Attorney General
RETURN TO: North Carolina Department of Justice
Transportation Section
1505 Mail Service Center
Raleigh, North Carolina 27699-1505

**CONSERVATION EASEMENT AND
EASEMENT OF INGRESS AND EGRESS
IN PERPETUITY**

This Conservation Easement and Easement of Ingress and Egress in Perpetuity is granted on this ____ day of March, 2012, by the **COUNTY OF JONES**, having an address of Post Office Box 340, Trenton, North Carolina 28585 (“Grantor”), to the **NORTH CAROLINA DEPARTMENT OF TRANSPORTATION**, its successors and assigns, having an address of 1501 Mail Service Center, 1 South Wilmington Street, Raleigh, North Carolina 27699-1598 (“NCDOT” and/or “Grantee”). The designation Grantor and NCDOT (collectively, the “Parties”) as used herein shall include said Parties, their heirs, successors, assigns, respective agents, executors, administrators, grantees, devisees, licensees, and/or all other successors as their interests may appear, and shall include singular, plural, masculine, feminine or neuter as required by context. 2

WHEREAS:

NCDOT, through the State of North Carolina, transferred to Grantor by non-warranty deed a parcel of land, and now Grantor is the sole owner in fee simple of certain real property more particularly described in Deed Book 292, Page 844; Deed Book 287, Page 633; Deed Book 156, Page 636; Deed Book 153 Page 185; Deed Book 153, Page 184; Deed Book 106, Page 298; Deed Book 44, Page 401; Deed Book 44, Page 129; Plat Cabinet B, Slide 362, Pages 5-6; and Plat Cabinet B, Slide 363, Pages 1-2 of the Registry of Jones County, North Carolina, which consists of approximately **137.22 acres**, more or less, located in Trenton Township, Jones County, North Carolina (the “Property”).

The Property possesses natural, wetland, scenic, open space, educational, recreational, cultural, historic, and architectural values of great importance to NCDOT, Grantor, and the people of North Carolina.

Grantor is willing to grant to NCDOT a perpetual conservation easement over an area of the Property consisting of approximately **137 acres**, more or less (the “Conservation Easement Area”), thereby restricting and limiting the use of lands and waters within the Conservation Easement Area to the terms and conditions and for the purposes hereinafter set forth, and to further grant to NCDOT a permanent ingress/egress access easement (the “Permanent Access Easement”) to the Conservation Easement Area upon and along the Property as more particularly set forth hereinafter.

The dam associated with Brock Mill and which is situated on the Property was conveyed to Grantor in that certain Non-Warranty Deed between NCDOT and Grantor, found at Deed Book _____, Page _____, of the Jones County Registry. The dam associated with Brock Mill and which is situated on the Property is not included in the Conservation Easement Area. NCDOT, therefore, has no interest whatsoever in the dam and/or the continued conservation, maintenance, protection, and/or preservation of the dam associated with Brock Mill and which is situated on the Property.

NCDOT is an agency of the State of North Carolina whose purpose includes the construction of transportation projects for public use and who has the authority to acquire land and interests in land for the purpose of mitigating the environmental impacts of these transportation projects.

Grantor may hold and maintain open land in its natural state, and receive title to the Property from NCDOT, subject to the terms and conditions set forth herein.

The purposes of the Conservation Easement are to preserve, enhance, restore, and maintain the natural features and resources of the Conservation Easement Area consistent with the dictates of Federal and State agencies pursuant to permits from said agencies necessary for NCDOT road projects; to provide habitat for native land, air and aquatic flora and fauna; to improve and maintain water quality; to control runoff of sediment; to use the Conservation Easement Area for activities included in, but which are not limited to, those activities included in 3

the mitigation plan pertaining to the Conservation Easement Area, which is on file with NCDOT; to prevent any use of the Conservation Easement Area that will significantly impair or interfere with these purposes; to protect the mitigation activities performed by NCDOT within the Conservation Easement Area; and to maintain permanently the dominant woodland, scenic, and natural character of the Conservation Easement Area designated on the Property as hereinafter described (the purposes enumerated in this paragraph are collectively referred to as the “conservation values”).

NCDOT and Grantor recognize the conservation values of the Conservation Easement Area and have the common goal of the perpetual conservation, preservation, and protection of the Conservation Easement Area. Grantor intends for the conservation values of the Conservation Easement Area to be preserved and maintained. Further, Grantor intends to convey to NCDOT the right to enforce the preservation and protection of the conservation values of the Conservation Easement Area in perpetuity.

The conservation values and purposes of this Conservation Easement are recognized by the Uniform North Carolina Conservation and Historic Preservation Agreements Act, N.C.G.S. § 121-34 et seq., which provides for the enforceability of restrictions, easements, covenants or conditions “appropriate to retaining land or water areas predominantly in their natural, scenic, or open condition or in agricultural, horticultural, farming or forest use,” N.C.G.S. § 121-35(1); and which provides for tax assessment of lands subject to such agreements “on the basis of the true value of the land and improvement less any reduction in value caused by the agreement.” N.C.G.S. § 121-40.

This Conservation Easement is subject to any and all permits issued by state and/or federal agencies associated with the Property and Conservation Easement Area, including, but not limited to: U.S. Army Corps of Engineers Action ID 200210222, Nationwide Permit Number #27, dated July 3, 2002.

NOW, THEREFORE, in consideration of the conveyance of the underlying fee of the Property to Grantor by NCDOT, through the State of North Carolina, and for other good and valuable consideration acknowledged by both Grantor and NCDOT, the benefits of which flow to NCDOT and Grantor from each other, the receipt of which is hereby acknowledged, and in further consideration of the mutual covenants, terms, conditions and restrictions contained herein, Grantor hereby grants and conveys unto NCDOT and its successors or assigns forever and in perpetuity a Conservation Easement of the nature and character and to the extent hereinafter set forth, situated over, upon and across the Conservation Easement Area, in Jones County, North Carolina, as described more particularly in **Exhibit A**, together with a Permanent Access Easement as more particularly described below in Paragraph 4. (Exhibit A is attached hereto and is specifically incorporated by reference as if the same were fully set forth herein.) All subsequent references to the Conservation Easement shall include, where appropriate, reference to the Permanent Access Easement.

The terms, conditions and restrictions of the Conservation Easement and Permanent Access Easement are as hereinafter set forth: 4

1. Grant Of Conservation Easement

Grantor hereby voluntarily grants and conveys to NCDOT, and NCDOT hereby voluntarily accepts, a perpetual Conservation Easement, which is an immediately vested interest in real property of the nature and character described herein.

Grantor agrees that it will not perform, nor willingly or knowingly allow others to perform, any act on, within or affecting the Conservation Easement Area that is inconsistent with the covenants herein. Grantor authorizes NCDOT to enforce these covenants in the manner described below.

Grantor hereby voluntarily grants and conveys to NCDOT all development rights for the Conservation Easement Area, except as otherwise reserved and provided by the terms of this Conservation Easement, that are now or hereafter inherent in the Conservation Easement Area. The Parties agree that the development rights in the Conservation Easement Area are terminated and extinguished, and may not be used on or transmitted to the subject Property, as it is now described or as the Property may be described in the future, or to any other property.

2. Perpetual Duration

This Conservation Easement shall be perpetual. It is an easement in gross, runs with the land and is enforceable by NCDOT against Grantor. Every provision of this Conservation Easement that applies to Grantor or NCDOT shall also apply to their respective agents, heirs, executors, administrators, assigns, grantees, devisees, licensees, and/or all other successors as their interests may appear. This Conservation Easement is enforceable regardless of any subdivision, partition, or conveyance of the Property or any portion thereof.

3. Access

Grantor hereby grants and conveys to NCDOT a Permanent Access Easement over the Property to the Conservation Easement Area, continuing in perpetuity. NCDOT may access the Conservation Easement Area upon and along the same route used by Grantor to access and traverse the Conservation Easement Area and/or from any portion of the Conservation Easement Area which fronts NC 58.

NCDOT and its authorized representatives at all reasonable times and continuing in perpetuity, shall have the right to access the Conservation Easement Area through the Permanent Access Easement for the purpose of undertaking activities to protect, restore, manage, maintain, or enhance the conservation values of the Conservation Easement Area, and for the purpose of inspecting the Conservation Easement Area to determine if Grantor is complying with the terms, conditions, restrictions, and purposes of this Conservation Easement. Grantor may do nothing that would interfere with NCDOT's access to the Conservation Easement Area. NCDOT will notify Grantor by phone, email, or other correspondence before entering the Property for the purpose of determining compliance. However, if NCDOT, in its sole discretion, determines that 5

circumstances require immediate entry, NCDOT is not required to notify Grantor prior to entry but will notify Grantor within two business days of such entry.

The easement rights granted herein specifically include public access rights. Specifically, Grantor agrees to provide public access to view the historically significant exterior features of the Property, and particularly, Brock Mill, no less than twelve (12) days a year on an equitably spaced basis. At the option of Grantor, the relevant portions of the Property may also be open at other times by appointment and/or at the discretion of Grantor, in addition to the scheduled twelve (12) days per calendar year.

4. Rights And Responsibilities Retained By Grantor

Subject to the terms and restrictions contained herein, Grantor reserves to and for itself and its successors the customary rights and privileges of ownership, including, but not limited to, the right to quiet enjoyment of the Conservation Easement Area; the right of ingress and egress to the Conservation Easement Area and any adjacent property of Grantor; the right to continue such uses as exist as of the date of this grant not inconsistent with the Conservation Easement; and the right to sell, lease, encumber, transfer, gift, impose restrictions on, devise, or otherwise convey the Conservation Easement Area in its entirety, provided such transaction is subject to the terms of both that certain Non-Warranty Deed between NCDOT and Grantor, found at Book _____, Page _____, of the Jones County Registry and this Conservation Easement, and written notice is provided to NCDOT pursuant to Paragraph 17; together with any rights not specifically prohibited by or limited by this Conservation Easement, and not inconsistent with the conservation values and purposes of this Conservation Easement. Unless otherwise specified herein, nothing in this Conservation Easement shall require Grantor to take any action to restore the condition of the Conservation Easement Area after any Act of God. Grantor understands that nothing in this Conservation Easement relieves it of any obligation or restriction on the use of the Conservation Easement Area imposed by law.

Prior to performing any maintenance or construction in the Conservation Easement Area, Grantor shall submit a written plan to NCDOT - Natural Environment Unit detailing the proposed maintenance or construction activities. Grantor shall not perform any maintenance or construction activities in the Conservation Easement Area whatsoever until Grantor receives written approval of the submitted plan from NCDOT.

Further, prior to performing any maintenance or construction upon the Property, Grantor shall submit a written plan to SHPO detailing the proposed maintenance, construction, and/or rehabilitation activities. Grantor shall not perform any maintenance or construction activities on the Property until Grantor receives from SHPO written permission to undertake such maintenance or construction affirming that such activities will meet the standards and specifications for rehabilitating and repairing historic structures in North Carolina.

Such written notice shall be provided pursuant to Paragraph 17. 6

5. Subdivision

Without the express written permission of NCDOT, no portion of the Conservation Easement Area which is subject to this Conservation Easement may be further subdivided, partitioned, conveyed, or divided, except in its current configuration as an entity or block of the Property.

6. Permitted And Restricted Activities

Any activity on, or use of, the designated Conservation Easement Area inconsistent with the conservation values and purposes of this Conservation Easement is prohibited. **Unless expressly reserved as a compatible or permitted activity herein, or unless NCDOT has provided express written permission to Grantor (see Paragraph 4), any use of, or activity in, the Conservation Easement Area by Grantor is prohibited as inconsistent with the purposes of this Conservation Easement.** However, Grantor retains the right to engage in passive recreational uses of the Conservation Easement Area (requiring no surface alteration of the land and posing no threat to the conservation values set forth herein), including, but not limited to, walking, fishing, hunting or animal and plant observation as long as such activity is consistent with the conservation values and purposes of this Conservation Easement. The Conservation Easement Area shall be maintained in its natural, scenic and open condition and restricted from any activity that would impair or interfere with the conservation values of the Conservation Easement Area. Any use or activity that causes or is likely to cause soil degradation, erosion and/or pollution of any surface or sub-surface waters is prohibited.

Any rights not expressly reserved by Grantor have been acquired by NCDOT.

Without limiting the foregoing, the following activities and uses are expressly prohibited, restricted or reserved as indicated hereunder:

A. Disturbance of Natural Features

Any change, disturbance, alteration or impairment of the natural, scenic and aesthetic features of the Conservation Easement Area or any introduction of non-native plants and/or animal species is prohibited unless NCDOT shall provide express prior written consent or unless otherwise expressly permitted herein. (See Paragraph 4.)

B. Agricultural, Grazing, Horticultural Use and Fencing

Agricultural, grazing and horticultural uses, including landscaping, of the Conservation Easement Area are prohibited, except upon written approval of NCDOT. (See Paragraph 4.) No herbicides, insecticides, fungicides, fertilizers or other potentially harmful substances may be used in the Conservation Easement Area without advance written permission from NCDOT. Grantor is authorized to remove non-native species by hand and to use spot application of herbicides or pesticides to remove non-native species without advance written permission. No agricultural products or by-products may be dumped, stored, or disposed of within the 7

Conservation Easement Area or within 100 feet in any direction of any pond, stream, tributary, lake, spring, seep, watercourse, or wetlands on the Property.

Existing fences may be repaired and replaced by Grantor. NCDOT or its representatives may install fencing around the perimeter of the Conservation Easement Area. Grantor will be responsible for maintaining any fences installed pursuant to this subparagraph.

C. Silvicultural Use and Land Clearing

There shall be no destruction or cutting of trees or plants in the Conservation Easement Area, except upon written approval of NCDOT. (See Paragraph 4.) The gathering of firewood in the Conservation Easement Area shall be limited to dead trees, such that the gathering is consistent with the conservation values and purposes of this Conservation Easement.

Removal of large live trees, thinning of the forest, or removal of brush for fire management may be allowed in some cases provided that any such request is (i) consistent with the conservation values and purposes of this Conservation Easement; and (ii) Grantor obtains prior written approval from NCDOT before undertaking any of these activities. (See Paragraph 4.) However, Grantor may remove fallen, damaged, hazardous, or dangerous trees (e.g., hanging limbs, split trees, leaning trees, dead trees, trees damaged by ice, wind or snow, trees struck by lightning, and other hazardous conditions) if, in the discretion of Grantor, such trees pose a safety or maintenance issue.

Destruction, cutting, mowing or harming any vegetation on the Conservation Easement Area, except for management activities designed to benefit the Conservation Easement Area as a wetland, wildlife management area, or for the benefit of endangered species, as approved in writing by NCDOT, is prohibited. (See Paragraph 4.)

D. Dumping or Storage

Dumping, disposal, or storage of soil, trash, refuse, debris, ashes, garbage, waste, abandoned vehicles or parts, appliances, machinery, hazardous substances, toxic or hazardous waste, or any placement of underground or aboveground storage tanks or other materials within the Conservation Easement Area is prohibited, with the exception of trash and/or recycling receptacles, whose type and location shall be expressly approved in writing by NCDOT. (See Paragraph 4.)

No agricultural products, by-products, or agricultural equipment may be dumped, stored or disposed of within the Conservation Easement Area or within 100 feet in any direction of any pond, stream, tributary, lake, watercourse, spring, seep, or wetlands. Grantor shall be responsible for removing any and all material dumped, stored and/or disposed of within the Conservation Easement Area. 8

E. Mineral Use, Excavation, and Dredging

There shall be no filling, excavation, dredging, mining or drilling; no removal of topsoil, sand, gravel, rock, peat, sod, minerals or other materials; no exploration for, or development and/or extraction of minerals and hydrocarbons by any method; and/or and no change in the topography of the land in any manner within the Conservation Easement Area, or on adjacent property if owned by the Grantor or his successors, which would cause erosion or siltation within the Conservation Easement Area.

F. Industrial Use

Industrial activities within the Conservation Easement Area are prohibited.

G. Residential Use

Residential use of the Conservation Easement Area is prohibited.

H. Commercial Use

Commercial activities within the Conservation Easement Area are prohibited.

I. Construction, Roads and Road Building, Motorized Vehicles

There shall be no building, shed, facility, mobile home, antenna, utility pole, or any temporary or permanent structure or facility constructed or placed within the Conservation Easement Area unless (i) specifically set forth in this Conservation Easement.

NCDOT expressly reserves the right to install, operate, and maintain structures or unpaved roads, and to use motorized vehicles in any manner necessary, for the purpose of reestablishing, protecting, and enhancing the conservation values of the Conservation Easement Area.

J. Signs

No signs, billboards or advertisements shall be permitted within the Conservation Easement Area except: (i) interpretive signs describing conservation activities and the conservation values of the Conservation Easement Area and/or Property; (ii) signs identifying the owner of the Property and the holder of the Conservation Easement; (iii) signs prescribing rules and regulations for the use of the Conservation Easement Area and/or Property, which shall specifically include “No Trespassing,” “No Hunting,” and “Posted” signs, if applicable; (iv) signs used to mark trails or identify directions, locations, or otherwise aiding navigation within the Conservation Easement Area and/or Property; and (v) educational signs. 9

K. Utilities

The installation of utility systems, including, without limitation, water, sewer, power, fuel, and communication lines and related facilities, is prohibited. If there are existing utility easements located within the Conservation Easement Area or affecting the Conservation Easement Area, Grantor shall notify NCDOT if right-of-way clearing or other work within the Conservation Easement Area is scheduled or performed by any utility. Any such clearing should be minimized to the extent practicable and performed in a manner consistent with the principles of permanently protecting the conservation values of the Conservation Easement Area.

L. Water Quality and Drainage Patterns

Grantor shall conduct no activities in the Conservation Easement Area that would be detrimental to water quality or to any of the plants, animals, or habitats within the Conservation Easement Area, or that would alter natural water levels, drainage, sedimentation and/or flow in or over the Conservation Easement Area, or cause soil degradation or erosion. Diking, dredging, alteration, draining, filling or removal of wetlands, ponds, watercourses, tributaries, lakes or streams by Grantor is prohibited. In addition, Grantor is prohibited from diverting or causing or permitting the diversion of surface or underground water into, within or out of the Conservation Easement Area by any means; polluting or discharging into waters, springs, seeps, ponds, watercourses, streams, tributaries, lakes or wetlands; or using pesticides or biocides in the Conservation Easement Area, unless NCDOT has provided express written permission to Grantor authorizing such uses. (See Paragraph 4.)

M. Development Rights

No development rights which have been encumbered or extinguished by this Conservation Easement shall be transferred pursuant to a transferable development rights scheme, cluster development arrangement, or otherwise.

N. Historic Preservation

The Conservation Easement Area described herein is important culturally, historically, and architecturally. Grantor and NCDOT endeavor to preserve and conserve all aspects of the Conservation Easement Area.

Grantor agrees that no construction, alteration, maintenance, remodeling, or any other activity shall be undertaken or permitted to be undertaken on the Property which would alter the historically significant exterior features of Brock Mill. Grantor further agrees that no activity shall be undertaken or permitted to be undertaken on the Property which would adversely affect exterior construction materials, architectural details, form, fenestration, heights, or adversely affect structural soundness of any and all historically significant features of the Property, specifically including, but not limited to, Brock Mill and the dam, **without prior written notification and permission from the North Carolina State Historic Preservation Office.** (See Paragraph 17.) 10

Grantor agrees to maintain the Property so as to prevent deterioration and preserve the architectural and historical integrity of the Property in ways that protect and enhance those qualities.

O. NCDOT's Rights

NCDOT, on behalf of itself and its authorized representatives, reserves the right to use the Conservation Easement Area in any way necessary, consistent with the terms herein, to undertake any activities to protect, restore, manage, maintain, or enhance the conservation values of the Conservation Easement Area. NCDOT further reserves the right to monitor the results of the mitigation activities in perpetuity and to repair, restore, or cause to be repaired or restored, any damage to the Conservation Easement Area. NCDOT specifically reserves the right to use the Conservation Easement Area in the future for additional mitigation or conservation activities that further the conservation values of the Conservation Easement Area.

P. Hunting And Fishing

Grantor expressly reserves the right to hunt and fish within the Conservation Easement Area and to control access of all persons for the purpose of hunting and fishing in the Conservation Easement Area; provided that these activities do no impact the protection and conservation of any animal, plant, or aquatic habitat or any other of the conservation values and purposes set forth herein.

7. Ongoing Responsibilities Of The Grantor

Other than as specified herein, this Conservation Easement is not intended to impose any legal or other responsibility on NCDOT, or in any way to affect any existing obligation of Grantor as owner of the Property and Conservation Easement Area. Among other things, this shall apply to:

A. Taxes

Grantor shall be solely responsible for, and pay before delinquency, all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property, by competent authority (collectively, "Taxes"), including any Taxes imposed upon, or incurred as a result of, this Conservation Easement, and shall timely furnish NCDOT with satisfactory evidence of payment upon request. If NCDOT is ever required to pay any Taxes on its interest in the Conservation Easement Area, Grantor shall reimburse NCDOT for the same. 11

B. Upkeep and Maintenance

Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to ownership, operation, upkeep, and maintenance of the Property, including the maintenance of adequate comprehensive general liability insurance coverage. Further, Grantor shall keep the Property free of any liens arising out of any work performed for, materials furnished to, or obligations incurred by Grantor.

C. Liability and Indemnification

Grantor agrees to indemnify and hold NCDOT harmless from any and all costs, claims or liability, including, but not limited to: personal injury, accidents, negligence or damage relating to the Property, or any claim arising there from, including attorneys' fees, unless due to the negligence, or intentional or willful conduct, of NCDOT or its agents, in which case liability shall be apportioned accordingly.

The Parties acknowledge that NCDOT is an agency and department of the State of North Carolina and has no known ability to give or provide any indemnity to any party whatsoever. Further, NCDOT enjoys the State's sovereign immunity except as expressly waived by the North Carolina Tort Claim Act, Article 31 of Chapter 143 of the General Statutes of North Carolina, and may be liable only as therein provided.

8. Enforcement and Remedies

NCDOT shall have the right to prevent any action within or use of the Conservation Easement Area that is inconsistent with the conservation values and purposes of this Conservation Easement and to require the mitigation of such areas or features of the Conservation Easement Area that may be damaged by any inconsistent activity or use.

Except when an ongoing or imminent violation could irreversibly diminish or impair the conservation values of the Conservation Easement Area, should NCDOT determine that Grantor is in violation of the terms of this Conservation Easement or that a violation is threatened, NCDOT shall give Grantor written notice of any violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Conservation Easement Area resulting from any use or activity inconsistent with the purpose of this Conservation Easement, to restore the portion of the Conservation Easement Area so injured. If Grantor fails to cure the violation within thirty (30) days after receipt of notice thereof from NCDOT, pursuant to Paragraph 17, or under circumstances where the violation cannot reasonably be cured within a thirty (30) day period, fails to begin curing such violation within the thirty (30) day period, or fails to continue diligently to cure such violation until finally cured, NCDOT may bring an action at law or in equity to enforce the terms of this Conservation Easement, to enjoin a violation, ex parte as necessary, by temporary or permanent injunction, to recover any damages to which it may be entitled for violation of the terms of this Conservation Easement, including damages for the loss of conservation values, and to require the mitigation of the Conservation Easement Area to the condition that existed prior to any such injury.

Parties agree that a court may issue an injunction or order requiring Grantor to restore the Conservation Easement Area to its condition prior to the violation, as restoration of the Conservation Easement Area may be the only appropriate remedy. If NCDOT, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the conservation values of the Conservation Easement Area, NCDOT may pursue its remedies without prior notice to Grantor. NCDOT shall exercise reasonable efforts to notify Grantor and shall, in any event, notify Grantor within two (2) business days after action is taken to explain the action undertaken.

NCDOT has the right to prevent any activity on, or use of, the Conservation Easement Area that is inconsistent with any federal or state environmental permit requirements applicable to the Property. NCDOT has the right to require the restoration and/or remediation of any and all conservation values damaged by any activity or use of the Conservation Easement Area that is inconsistent with any federal or state permit requirements applicable to the Property.

NCDOT's remedies shall be cumulative and shall be in addition to any other rights and remedies available to NCDOT at law or equity. In any case where a court finds that a violation of this Conservation Easement has occurred, Grantor shall reimburse NCDOT for all expenses incurred in enforcing the terms of this Conservation Easement against Grantor, including, but not limited to: court costs, attorneys' fees, damages for losses for environmental or conservation values, any costs of mitigation necessitated by the violation of this Conservation Easement, and any other costs and fees associated with the restoration and/or remediation of the Conservation Easement Area. If legal action is brought by NCDOT and a court finds that no violation has occurred, each party shall bear its own costs.

The failure of NCDOT to discover a violation or to take immediate legal action shall not bar NCDOT from doing so at a later date for that violation or any subsequent violations. Further, no failure on the part of NCDOT to enforce any covenant, condition, or provision hereof shall be a waiver to discharge or invalidate such covenant or any other covenant, condition, or provision hereof or affect the right of NCDOT to enforce the same in the event of a subsequent breach or default.

Grantor shall have concurrent jurisdiction and authority for the enforcement of the conditions, restrictions, and prohibitions on the use of the Property and the Conservation Easement Area, and other terms covenants and conditions of this Conservation Easement, as to any person or entity other than NCDOT.

The enforcement authority of NCDOT and Grantor may be exercised jointly and severally by them, in their discretion. Any forbearance, delay, or omission by either NCDOT or Grantor to enforce any covenant or a provision hereof shall not be deemed or construed to be a waiver of any right of enforcement by either Party.

Nothing contained in this Conservation Easement shall be construed to entitle Grantor to bring any action against NCDOT for any injury or change in the Property and/or Conservation Easement Area resulting from causes beyond NCDOT's control, including, but not limited to, 13

fire, flood, storm, war, acts of God or third parties, or from any prudent action taken in good faith by NCDOT under emergency conditions to prevent, abate, or mitigate significant injury to life, damage to property or harm to the Conservation Easement Area resulting from such causes, in accordance hereunder.

9. Transfer Of Easements

NCDOT shall have the right to transfer this Conservation Easement and Permanent Access Easement, provided the transferee expressly agrees to assume the responsibility imposed on the transferring party or parties by this Conservation Easement. As a condition of such transfer, NCDOT shall require that the conservation values and purposes intended to be advanced hereunder shall continue to be carried out.

10. Transfer Of The Property

Grantor agrees that in the event the Property or any portion thereof is transferred, it will provide advance notification to NCDOT in writing of the names and addresses of any party to whom the Property is to be transferred pursuant to the notification procedure in Paragraph 17.

Grantor agrees to incorporate by reference the terms of this Conservation Easement in any deed or other legal instrument by which it transfers or divests itself of any interests, including leasehold interests, in all or a portion of the Conservation Easement Area. Failure of Grantor to comply with this Paragraph shall not impair the validity of this Conservation Easement and Permanent Access Easement as to successor owners or interest holders in the Property or limit the enforceability of this Conservation Easement and Permanent Access Easement in any way, nor shall Grantor's failure to comply with this Paragraph constitute a breach under this Conservation Easement.

11. Amendment Of Easements

This Conservation Easement may be amended only by a written instrument jointly executed by both NCDOT and Grantor. Any such amendment shall be consistent with the conservation values and other purposes of this Conservation Easement and its terms, and shall comply with Section 170(h) of the Internal Revenue Code or any regulations promulgated in accordance with that section. No amendment shall be allowed that is inconsistent with the purposes and values stated herein. Any such amendment shall be duly recorded in the Office of the Jones County Register of Deeds.

12. Procedure In The Event Of Changed Conditions

The grant or donation of this Conservation Easement gives rise to a property right immediately vested in NCDOT, with a fair market value equal to the proportionate value that the Conservation Easement Area bears to the value of the Property as a whole – fifty percent (50%). The proportionate value of NCDOT's property rights shall remain constant. If a change in conditions occurs, which makes impossible or impractical any continued protection of the 14

Conservation Easement Area for conservation purposes by NCDOT (a “Changed Condition”), NCDOT may relinquish or transfer by written instrument all or any portion of this Conservation Easement and the restrictions contained herein. NCDOT may extinguish all or any portion of this Conservation Easement and the restrictions contained herein by appropriate judicial proceeding. NCDOT shall be entitled to a portion of the proceeds of any sale, exchange, involuntary conversion of the Property, or any damage award with respect to any proceeding or transfer commenced by or against Grantor, which portion shall be equal to the proportionate value of NCDOT’s interest in the Conservation Easement Area as it bears to the value of the Property as a whole as of the date of the recording of this Conservation Easement (fifty percent (50%)). “Proceeds of Sale” shall mean the cash value of all money and property paid, transferred or contributed in consideration for, or as otherwise required as a condition to the sale, exchange or involuntary conversion of the Conservation Easement Area, or any damages otherwise awarded as a result of judicial proceedings.

13. Procedure In The Event Of Condemnation Or Eminent Domain

Whenever all or part of the Property is taken by exercise of eminent domain by public, corporate or other authority, or by negotiated sale in lieu of condemnation, so as to abrogate the restrictions imposed by this Conservation Easement (a “Taking”), Grantor shall immediately give notice to NCDOT and shall take all appropriate actions at the time of such Taking or sale to recover the full value of the Taking and all incidental or direct damages resulting from the Taking. Any proceeds recovered in such actions shall be divided in accordance with the proportionate value of Grantor’s and NCDOT’s interests as specified herein; all expenses including attorneys’ fees incurred by Grantor and NCDOT in such action shall be paid out of the recovered proceeds to the extent not paid by the condemning authority. NCDOT, its successors and assigns, shall be entitled to a portion of the proceeds of such sale, exchange, involuntary conversion of the Property, or any damage award with respect to any judicial proceeding. Such portion shall be equal to the proportionate value that NCDOT’s, its successor’s and assign’s interest in the Conservation Easement Area bears to the value of the Property as a whole as of the date of the recording of this Conservation Easement (fifty percent (50%)). “Proceeds of Sale” shall mean the cash value of all money and property paid, transferred or contributed in consideration for, or as otherwise required as a condition to the sale, exchange or involuntary conversion of the Conservation Easement Area, or any damages otherwise awarded as a result of judicial proceedings, minus Grantor’s expenses from such transactions or proceedings.

14. Interpretation

This Conservation Easement shall construed to promote the purposes of the statutes and regulations of the State of North Carolina, and the conservation purposes of this Conservation Easement, including such purposes as are defined in Section 170(h)(4)(A) of the Internal Revenue Code, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to the conservation values and other purposes sought to be protected herein. 15

15. Severability

Invalidity of any of the covenants, terms, provisions or conditions of this Conservation Easement, or any part thereof, by court order or judgment, shall in no way affect the validity of any of the other provisions hereof, which shall remain in full force and effect.

16. Venue And Forum Selection

The Parties agree that all actions or proceedings arising in connection with this Conservation Easement shall be tried and litigated exclusively in the Superior Court of Wake County, North Carolina. This choice of venue is intended by the Parties to be mandatory and not permissive in nature, thereby precluding the possibility of litigation with respect to or arising out of this Conservation Easement in any jurisdiction other than that specified in this Paragraph. In the event of litigation, each Party waives any right it may have to assert the doctrine of forum non conveniens or similar doctrine or to object to venue with respect to any proceeding brought in accordance with this Paragraph, and stipulates that the Superior Court of Wake County, North Carolina shall have in personam jurisdiction and venue over each of them for the purpose of litigating any dispute, controversy, or proceeding arising out of or related to this Conservation Easement. Each Party hereby authorizes and accepts service of process pursuant to N.C.G.S. § 1A-1, Rule 4. Any final judgment rendered against a Party in any action or proceeding shall be conclusive as to the subject of such final judgment and may be enforced in other jurisdictions in any manner provided by law.

17. Notices

Any notices required by this Conservation Easement shall be in writing and shall be personally delivered or sent by United States mail, First Class postage pre-paid to ensure delivery to the Parties, respectively, at the following addresses, unless a Party has been notified in writing by the other of a change of address:

To Grantor:

The County of Jones
c/o County Manager
P.O. Box 340
Trenton, North Carolina 28585

To NCDOT:

Natural Environment Unit
Attn: Unit Head
North Carolina Department of Transportation
1598 Mail Service Center
Raleigh, North Carolina 27699-1598 16

To NCDOT (continued):

Director of Pre-Construction
North Carolina Department of Transportation
1501 Mail Service Center
Raleigh, North Carolina 27699-1501

To SHPO:

Department of Cultural Resources
c/o State Historic Preservation Office
4617 Mail Service Center Raleigh, North Carolina 27699-4617

The address to which notices shall be mailed to Grantor, NCDOT, and/or SHPO may be changed by written notice to all interested entities noted above.

In any provision of this Conservation Easement in which Grantor is required to provide advance notice to NCDOT of any activity on the Property, such notice shall be given not less than thirty (30) days prior to the planned commencement of the activity. If NCDOT's approval is required, such approval shall be deemed withheld unless NCDOT provides to the Grantor written notice of approval within thirty (30) days of receipt of said request. If Grantor has received no response after said thirty (30) days, Grantor may send additional written notices to NCDOT requesting a statement of the reasons for the disapproval. The failure of NCDOT to respond does not convey or constitute approval for the requested activity.

18. Grantor's Title Warranty

Grantor covenants and represents that Grantor is the sole owner and is seized of the Property in fee simple and has good right to grant and convey the aforesaid Conservation Easement and Permanent Access Easement; that the Property, Conservation Easement Area, and Permanent Access Easement are free and clear of any and all encumbrances, except easements and leases of record as of the date hereto; Grantor will warrant and defend the title against the lawful claims of all persons whomsoever; that both Grantor and NCDOT have legal access to the Property, the Conservation Easement Area, and the Permanent Access Easement; and Grantor covenants that NCDOT shall have the use of and enjoy all of the benefits derived from and arising out of the aforesaid easements conveyed. All easements conveyed herein shall run with the land and shall be made part of any transfer of title by Grantor.

19. Subsequent Liens

No provisions of this Conservation Easement should be construed as impairing the ability of Grantor to use the Conservation Easement Area as collateral for subsequent borrowing. Any such liens shall be subordinated to this Conservation Easement. 17

20. Subsequent Easements/Restrictions

The grant of any easements, uses, or use restrictions that might diminish or impair the conservation values of the Conservation Easement Area is prohibited. Any such uses, easements, or restrictions shall be subordinated to this Conservation Easement and Permanent Access Easement.

21. Grantor's Environmental Warranty

Grantor warrants that it has no actual knowledge of a release or threatened release of hazardous substances or wastes on the Property, as such substances and wastes are defined by applicable federal and state law, within the Conservation Easement Area and within 100 feet in any direction of any pond, stream, tributary, lake, spring, seep, watercourse, or wetlands on the Property, and hereby promises to defend and indemnify NCDOT against all litigation, claims, demands, penalties and damages, including reasonable attorneys' fees, arising from or connected with any release of hazardous waste caused by an intentional or negligent act, omission, or violation of federal, state or local environmental laws or regulations by Grantor. Without limiting the generality of the foregoing, nothing in this Conservation Easement shall be construed as giving rise to any right or ability in NCDOT, nor shall NCDOT have any right or ability, to exercise physical or managerial control over the day-to-day operations of the Property, or otherwise to become an operator with respect to the Property within the meaning of The Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

22. Liberal Interpretation

Any general rule of construction to the contrary notwithstanding, this Conservation Easement shall be liberally construed in favor of the grant to effect the purpose of this Conservation Easement and the policy and purpose of N.C.G.S. § 121-34 et seq. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purposes of this Conservation Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

23. Recording And Effective Date

NCDOT shall record this instrument and any amendment hereto in a timely fashion with the Office of the Register of Deeds of Jones County, North Carolina, and may re-record it at any time as may be required to preserve its rights under this Conservation Easement.

This Conservation Easement shall become effective upon recordation in the office of the Register of Deeds of Jones County, North Carolina.

24. Merger

The Parties agree that the terms of this Conservation Easement and Permanent Access Easement shall survive any merger of the fee and easement interest in the Property. 18

25. No Waiver

Enforcement of this Conservation Easement shall be at the discretion of the NCDOT and any forbearance by NCDOT to exercise its rights hereunder in the event of any breach of any term set forth herein shall not be deemed or construed to be a waiver by NCDOT of such term or of any subsequent breach of the same or of any other term of this Conservation Easement or of NCDOT's rights. No delay or omission by NCDOT in exercise of any right or remedy shall be construed as a waiver of any such right or remedy.

26. Entire Agreement

This instrument sets forth the entire agreement of the Parties with respect to the Conservation Easement and Easement of Ingress and Egress in Perpetuity and supersedes all prior or contemporaneous discussions, negotiations, understandings or agreements relating to said Easement. The burdens of this Conservation Easement shall run with the Property and shall be enforceable against Grantor and all future parties who have an interest in the Property in perpetuity.

TO HAVE AND TO HOLD this Conservation Easement unto the NCDOT, its successors and assigns, forever, this Conservation Easement together with all and singular the appurtenances and privileges belonging or in any way pertaining thereto.

IN WITNESS WHEREOF, the Grantor and NCDOT, intending to legally bind each other, have set their hands on the date first written above.

INTENTIONALLY LEFT BLANK.

SIGNATURES CONTINUED ON PAGE FOLLOWING.19

GRANTOR: COUNTY OF JONES

_____ (Seal)

Printed Name of Grantor

Title

NORTH CAROLINA
JONES COUNTY

I, _____, a Notary Public of Jones County, North Carolina, do hereby certify that _____ personally appeared before me this day and executed the foregoing instrument and acknowledged that he/she is _____ for/of _____, and by that authority duly given, he/she executed the foregoing instrument.

Witness my hand and official stamp or seal this _____ day of _____, 2012.

Notary Public Signature

SEAL _____ Printed Name of Notary Public

My commission expires: _____

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SIGNATURES CONTINUED ON PAGE FOLLOWING. 20

GRANTEE: NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

_____ (SEAL)

Virgil R. Pridemore
Manager of Right-of-Way Branch
North Carolina Department of Transportation
NORTH CAROLINA
WAKE COUNTY

I, _____, a Notary Public of _____ County, North Carolina, do hereby certify that Virgil R. Pridemore personally came before me this day and acknowledged that he is the Manager of Right-of-Way Branch for the North Carolina Department of Transportation, an agency of the State of North Carolina, and that by authority duly given, he executed the foregoing instrument. Witness my hand and official stamp or seal this _____ day of _____, 2012.

Notary Public Signature

SEAL _____ Printed Name of Notary Public

My commission expires: _____ 21

EXHIBIT A
CONSERVATION EASEMENT AREA

Conservation Easement Area - (137 acres, more or less) -

Said conservation easement area consisting of 137 acres, more or less, over and upon a portion of the Property, being those certain 137.22 acres, more or less, located in Trenton Township, Jones County, North Carolina, and owned in fee simple and described more particularly in Deed Book 292, Page 844; Deed Book 287, Page 633; Deed Book 156, Page 636; Deed Book 153 Page 185; Deed Book 153, Page 184; Deed Book 106, Page 298; Deed Book 44, Page 401; and Deed Book 44, Page 129 of the Registry of Jones County, North Carolina; and being described according to a plat or survey found at Plat Cabinet B, Slide 362, Pages 5-6; and Plat Cabinet B, Slide 363, Pages 1-2 of the Registry of Jones County, North Carolina.

The dam associated with Brock Mill and which is situated on the Property was conveyed to Grantor in that certain Non-Warranty Deed between NCDOT and Grantor, found at Deed Book _____, Page _____ of the Jones County Registry. The dam associated with Brock Mill and which is situated on the Property is not included in the Conservation Easement Area. NCDOT, therefore, has no interest whatsoever in the dam and/or the continued conservation, maintenance, protection, and/or preservation of the dam associated with Brock Mill and which is situated on the Property.