

# **PERSON-CASWELL LAKE AUTHORITY**

Guidelines for the Use of Residential Properties at Hyco Lake

Incorporated as an attachment with the Person-Caswell  
Lake Authority Lease of the control strip to property  
owners for private use.

**EFFECTIVE DATE- APRIL 9, 2020 by Person-Caswell Lake Authority and Duke Energy**

**EXHIBIT B**

**Hyc0 Lake Guidelines**

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**NOTE:** Leaseholders, Realtors and Contractors should review and adhere to the full scope of these Guidelines.

## **1.0 Purpose**

The purpose of these Hyco Lake Guidelines (Guidelines) is to provide detailed procedures and criteria to manage the Hyco Lake Recreation Area and the shoreline around Hyco Lake, consistent with the lease agreement between the Person Caswell Lake Authority (PCLA) and Duke Energy. For purposes of these Guidelines, references to lease or leasing refers to the lease between Duke Energy and PCLA while sublease or subleasing refers to lands subleased by PCLA to property owners adjoining the lease lands. The objectives of these Guidelines are:

- To protect Duke Energy's power generation interests on Hyco Lake;
- To protect and enhance the scenic, cultural, environmental, public safety, and public recreational values of Hyco Lake; and
- To meet applicable regulatory requirements.

Any occupancy or use of subleased land at Hyco Lake requires prior written permission by PCLA before beginning any improvements within the subleased area. This requirement applies to all improvements on the land or over the water. Contact the PCLA at (336) 599-4343 for additional information.

## **2.0 The Application Process**

The PCLA representative will meet with applicants at the site of the proposed activity to discuss plans, review relevant drawings, and review requirements and guidelines. Applicants must provide the following:

- Scaled, detailed drawings of proposed construction and site plan sufficient to show construction and distances from property projection lines. All drawings must be to scale reflecting a floor plan, front, side and rear view including elevation. All drawings also must bear the signature of the property owner signifying approval before submitting to PCLA for a Permit. A plat of survey showing location of water use lines and proposed improvements may also be required by PCLA
- Existing and proposed square footage of water-dependent structures.
- Specifications of all construction materials.
- Plan for erosion and sedimentation control during construction including stakes at the site marking the outside corners of any structures.
- All new boathouses and major repairs (defined as repairs costing 50% or more of the total value of the structure) require a 3-D drawing of the structure, plat map and an aerial photograph displaying the approximate location.
- A nonrefundable processing fee, as required by the then current fee schedule<sup>1</sup> and must be paid prior to any construction of improvements on the subject properties.

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<sup>1</sup> With Duke Energy's written approval PCLA can modify the fee schedule.

Permit applications for new boathouses and major repairs must be presented to the PCLA Board for review and action. Applications for new boathouses and major repairs must be submitted seven (7) days prior to the Board meeting in order to be considered at that month's Board Meeting.

PCLA's approval of applications is signified by the issuance of a Construction Permit good for six months. Permit applications will be processed within 31 days unless circumstances require additional time for review of such proposed construction plans. Each processed application will bear the PCLA's signature and date of decision.

PCLA reserves the right to make periodic inspections of permitted activities or facilities during and after construction to ensure compliance with permit conditions. Within ten (10) days after completion the property owner must notify PCLA, and a representative will make the final inspection to insure compliance. Final approval will be noted on the drawings by date and signature of the inspecting PCLA staff in charge.

### **3.0 General Guidelines**

- 3.1 All guidelines are pursuant to rules adopted by PCLA with the approval of Duke Energy, but are not intended to be all inclusive.
- 3.2 Since not every possible scenario can be anticipated, PCLA reserves the right to make special rulings in cases not specifically covered by these guidelines
- 3.3 All facilities on leased area must be well maintained. Failure to properly maintain facilities may result in the cancellation of any existing sublease and the removal of the facility and restoration of the property at the expense of the sublessee.
- 3.4 All facilities on the Duke Energy property must be covered by a current, paid-in-full sublease between PCLA and the property owner or lease holder of the adjacent private lands.
- 3.5 Use of subleased lands will be evaluated on a case-by-case basis.
- 3.6 Sublessee must follow the application process and receive written approval or a permit from PCLA before beginning any improvements, constructing any facilities, or engaging in any land-disturbing activity (including altering the vegetation) within the subleased area. This requirement applies to all facilities on the subleased land or over the water. For activities like aquatic vegetation removal and/or chemical treatment in the water, the PCLA must also obtain written approval from Duke Energy prior to beginning activities. For dredging/excavation, Duke Energy Lake Services must be contacted and will work with PCLA to determine whether the activity is approvable (Refer to Section 6.0).
- 3.7 Ownership of a lot adjoining Hyco Lake or sublease of property from PCLA does not guarantee the property owner the right to access Duke Energy land for the purpose of making any improvements, including the cutting of vegetation or construction of any structure, without specific written authorization from PCLA.

- 3.8 When major repairs (i.e., repairs costing more than fifty (50) percent of the current market value of the structure) are made to existing facilities, the structure must be repaired so as to be in compliance with these Guidelines.
- 3.9 Metal siding is not permitted for repair of any structures.
- 3.10 If an existing structure is destroyed by fire or other means, the replacement structure must be built in compliance with these Guidelines.
- 3.11 All modifications to existing facilities are subject to these Guidelines so that any preexisting noncompliance is not increased.
- 3.12 Any water-dependent structure or shoreline modifications that are out of compliance with these Guidelines when sold or transferred must be brought into compliance before new owners will be given a shoreline sublease.
- EXCEPTION: When a longstanding structure encroaches upon the property and/or water use lines of the adjoining property owner, the PCLA will have the option to issue a variance to the requirements of this section.
- 3.13 Unless a boat slip or docking/mooring location is specifically designed to accommodate additional watercraft (e.g., double boat slip) and the capacity is specified in the application, only one watercraft at a time shall be moored within a boat slip or docking/mooring location. All watercraft located on subleased area must have current, valid Hyco Lake Boat Permit.
- 3.14 All facilities and construction activities must comply with all applicable local, state, and federal regulations. The applicant must obtain written authorization from PCLA prior to beginning any activity/construction on the subleased area.
- 3.15 Flotation for all facilities shall be of materials manufactured specifically for marine use. Materials must not lose significant buoyancy if punctured, must not generally be subject to damage by animals, and must resist breaking apart under a broad range of wave energies. Uncoated, beaded polystyrene will not be allowed for any new construction or as replacement for existing facilities. Reuse of plastic, metal, or other previously used drums or containers for encasement or flotation purposes is prohibited.
- 3.16 Floats for docking of personal watercraft (PWC) or boatlifts may be added to a previously approved Commercial/multi-slip Facility without additional written approval from Duke Energy, PCLA provided:
- 3.16.1 All applicable or approvals have been received
  - 3.16.2 Only one PWC float or boatlift is installed within the confines of a boat slip in the previously approved facility
  - 3.16.3 The addition of the PWC floats or boatlifts does not increase the total number of watercraft the facility is designed to accommodate as identified in the application
  - 3.16.4 The facility owner sends notification to PCLA documenting that the above

requirements are met, along with a drawing of the facility identifying the locations of the added PWC floats or boatlifts

- 3.17 Reflectors or reflective tape must be placed and maintained by the structure owner on the two furthest corners of the structure that extend into the water and along the sides of the structure at reasonable intervals from the end of the structure back toward the shore.
- 3.18 Bridge or Road work must be completed per the right-of-way (ROW) agreement, and stay within the boundaries of the ROW. Any work to be done or equipment used outside the ROW may require additional submittals to Duke Energy or the landowner, and prior written authorization would be required.

#### **4.0 Guidelines Regarding Vegetation Management**

Vegetation is important to the aesthetic and environmental qualities of Hyco Lake. In addition to enhancing the natural beauty of the lake; vegetation helps prevent water pollution and provides habitat for birds, mammals and fish. These guidelines are intended to provide sublessee with enough flexibility to use Duke Energy property appropriately while protecting the environment.

##### **4.1 Vegetative Buffer**

The following guidelines apply to property subleased from PCLA:

- 4.1.1 Subleased land should be maintained in a natural or vegetated state to support erosion control and improve water quality.
- 4.1.2 Limited clearing for access to the water is permitted. Written approval is required from PCLA prior to the removal of any trees or vegetation. No trees larger than five (5) inches in diameter at breast height shall be removed unless the tree is dead, dying, diseased, or poses a safety hazard.
- 4.1.3 PCLA reserves the right to plant or require the planting of vegetative materials within the subleased area. PCLA may require, at the sublessee's expense, the removal of any unauthorized improvements and restoration of the subleased property to a natural state.

##### **4.2 Aquatic Vegetation**

Aquatic vegetation can provide good fish habitat and food for other animals. However, invasive aquatic weeds have the potential to negatively impact plant operations, public recreation, water quality, and/or aquatics species. Planting, removal, or the chemical treatment of aquatic vegetation at Hyco Lake is not allowed without PCLA approval.<sup>2</sup>

#### **5.0 Guidelines Regarding Sea Walls**

Sea walls, bulkheads, and similar structures are sometimes used to prevent shoreline erosion. The use of native shoreline vegetation to control erosion is preferred. For appropriate indigenous species, contact your local county extension agent.

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<sup>2</sup> This also requires PCLA to obtain written approval from Duke Energy prior to beginning activities.

The following guidelines will apply for the construction of sea walls:

- 5.1 Any land-disturbing activity within the sublease area, including the shoreline, must receive prior written approval from PCLA.
- 5.2 Facility approval (Construction Permit) is required for the construction of a sea wall.
- 5.3 Rip rap material on the water side of sea walls is required for the enhancement of fish habitat; however, the placement of stone or other materials into water is regulated by the United States Army Corp of Engineers (USACE) and state agencies. Applicants must obtain approval from the USACE and state agencies prior to requesting approval from PCLA.
- 5.4 Sea walls must be constructed of pressure-treated lumber, interlocking stone, or other approved material. Railroad ties, metal, rubber, or other non-approved material will not be permitted. The use of creosote-treated wood and wet concrete or mortar is expressly prohibited.
- 5.5 The height of sea walls shall conform to the natural contour of land, but in no case shall sea walls be higher than five feet above the high water level (410 feet, 6 1/2 inches MSL). Fill material behind sea walls shall be gravel, quarry stone, or soil (brick or block are not permitted.).
- 5.6 Sea walls cannot be used to extend the shoreline into the lake.
- 5.7 The use of rip rap for shoreline erosion control without a sea wall may be permitted with prior written approval from PCLA. Rip rap without a sea wall will be permitted only with a filter cloth barrier.

#### **6.0 Guidelines Regarding Dredging/Excavation**

Dredging or excavation from the lake area requires written approval by the appropriate resource agencies, PCLA, and Duke Energy.

General guidelines include, but are not limited to:

- 6.1 Dredging is not permitted without written approval from PCLA and Duke Energy Lake Services. Excavation applications will be accepted solely for the purpose of maintaining boating access to existing properly permitted structures. Excavation will not be allowed at a structure where there is a compliance issue (including unpaid lease or permit fees), or for which the owner has not received written approval from PCLA.
- 6.2 USACE General Permits in North Carolina allow Duke Energy to authorize excavations, provided the applicant notifies the appropriate agencies and all necessary permits are obtained prior to beginning any excavation. Applicants should limit their excavation activities where practicable to meet the requirements of the applicable General Permit; otherwise, an individual permit will have to be obtained from the proper agency.



- 6.3 Altering the shape of the shoreline is not permitted. Recapturing or extension of land by filling behind a retaining wall is not permitted.
- 6.4 Dredging is not permitted during the months of March 1 through June 30 due to fish spawning.
- 6.5 Dredging is not permitted in areas that could adversely affect threatened or endangered species, cultural or historic resources, or environmentally important areas. Based upon Duke Energy's inspection of the site during the application process, Duke Energy may require additional information or studies be conducted at the expense of the applicant.
- 6.6 All excavated material must be properly disposed of and handled in accordance with Best Management Practices as defined by NC Department of Environmental Quality (NCDEQ) unless special consideration is given in writing by the NCDEQ. Double handling of excavated material within the lake boundary will not be allowed. All excavated material must be placed in an upland area, above the 420-contour elevation, off Duke Energy property in one handling. All excavated material and disturbed shoreline must be stabilized to prevent erosion and runoff into the lake.
- 6.7 Excavation is limited to only egress and ingress from the permitted structure to the main channel and must be at a 3:1 or flatter slope.
- 6.8 No material including yard waste, leaves, grass, garbage, food waste, fish parts, or animal waste, shall be disposed of on the subleased property or into lake waters.
- 6.9 Excavation will be limited to hydraulic dredging methods. If water is returning to the lake, the applicant should follow NCDWQ best practices for this type of activity.
- 6.10 All excavation work, including equipment, must not encroach into or in front of adjoining property unless specific written authorization is given by the affected property owner(s).

**Excavation Application Process:** The applicant must first contact PCLA to get a current letter of consent verifying compliance. Then, the applicant must contact Duke Energy Lake Services to provide basic information about the planned excavation (location, name, contractor, drawing, etc.) and the letter of consent from PCLA. Lake Services will coordinate with PCLA to schedule a date to conduct a site visit with the applicant. The site visit is to determine if Duke Energy Lake Services will accept an application for the proposed excavation and what studies or information the applicant must provide. Following the site visit, the Lake Services representative will provide the applicant with the full application document. Once the application is complete, the applicant must send it to the agencies for review and comment on the proposed activity. (Refer to the Agency / Organization List available from Duke Energy to determine which federal, state, regional, and local agencies or organizations must be consulted.)

After consultation is complete, the applicant must provide to Duke Energy Lake Services the final application with all comments and recommendations provided by agencies and organizations during the consultation process as well as copies of all permits received. The applicant must also provide the application fee, a security deposit, and the signed Excavation

Program Applicant's Agreement. If approved, all excavations must be completed as described in the application and within 18 months following the date of approval as issued by Duke Energy. The final approval letter from Duke Energy Lake Services will also be provided to PCLA for compliance and record keeping purposes.

## **7.0 Guidelines for Private Residential Facilities**

Private piers, boathouses and other water-dependent structures are for the convenience of adjoining property owners. In order to enhance public safety and visibility of the shoreline and water, only single-story, open-sided boathouses will be permitted for use by private property owners. PCLA will examine the plans for each structure before permitting, but the following guidelines apply:

- 7.1 Prior to the physical inspection of the site, the sublessee and/or his/her representative must locate the side line 420 stakes, and clear a path from the 420 stakes to the nearest point of water at normal water level, or clear a path where Plat maps have dedicated water use lines. Stakes must be placed to indicate the desired location and size of the proposed structure to be considered for permitting.
- 7.2 The allowable combined square footage of all water-dependent structures is dependent on the length of subleased shoreline and shall not exceed 1,800 square feet including roof overhang. (This does not include sea wall square footage.) The height of any structure must not exceed 21 feet above normal water level (measured at the highest point.)
- 7.3 All docks must not present a hazard to navigation, with the maximum length of the dock to be established by PCLA. In general, a pier should not obstruct more than one-third 1/3 the width of any cove to protect public access and safety.
- 7.4 Floating docks may be allowed provided all flotation material used is of the type specific for marine use and approved by PCLA and the USACE.
- 7.5 Permanent steps of any kind to any attic area not permitted.
- 7.6 All structures over water must be at least one foot above full pond elevation of 410.55 feet above mean sea level (AMSL).
- 7.7 Portable picnic tables and lawn furniture may be placed on land and on structures over water.
- 7.8 Jet ski lifts are considered a water dependent structure, and require a Construction Permit.
- 7.9 Boathouses must be constructed of wood framing with open sides. Eighty percent (80%) of the structure must have open sides. Screened in porches may be allowed, but cannot exceed more than twenty percent (20%) of the structure. No glass enclosures will be allowed. Natural or neutral colors are required to enhance the natural appearance.
- 7.10 Masonry of any type within lease area is prohibited.

- 7.11 No living, sleeping, cooking, heating/cooling units, or sewage facilities or sinks are permitted within, adjacent to, or above boathouses or otherwise on the leased property.
- 7.12 Enclosed storage areas associated with boathouses shall not exceed 150 square feet (outside dimensions). Use of boathouse storage areas for items other than those associated with swimming, boating, skiing, and fishing is prohibited.
- 7.13 A twenty-five (25) foot setback is required from side-use water lines, unless a waiver of the recommendation is executed by both affected property owners, approved by PCLA, and a copy placed in each sublease file. Where water use lines are not displayed on Plat maps, the rule used by PCLA is the nearest point of water at normal water level.
- 7.14 Walkways must either have natural ground cover or be constructed of open slatted, pressure-treated wood or other approved materials, must follow the contour of the land, and must lead to a pier or boathouse. Access to the shoreline shall be by pathway no wider than five feet. Interlocking walkway materials may be allowed with PCLA approval.
- 7.15 Lessee may authorize a single irrigation pump for private home use, provided the pump has a rated horsepower of 2 horsepower or less and is used exclusively for the adjoining lot within the Leased Premises.
- 7.16 Community docks may be allowed subject to section 8.0 Guidelines for Commercial/Multi-Slip Facilities.

#### **8.0 Guidelines for Commercial/Multi-Slip Facilities**

Commercial/multi-slip Facilities (i.e., the related business operation that involves the use of Duke Energy property and the waters of Hyco Lake for facilities where boats can be launched, retrieved, or moored and where provisions are made for food services or convenience retailing, including petroleum dispensing, wet and dry storage of watercraft, and other activities associated with marinas) may be constructed only after written authorization by PCLA. Detailed plans for construction, additions, or modifications of Commercial/multi-slip Facilities must be submitted to PCLA for review and approval prior to beginning work. Consultation with local (county departments), state NC Department of Environmental Quality, NC Wildlife Resources Commission, NC State Historic Preservation Office, NC Parks & Recreation) and federal (US Army Corps of Engineers, US Fish & Wildlife Service) agencies is required and will be the responsibility of the applicant. In most instances, PCLA cannot consent without prior Duke Energy approval. PCLA will examine applications and plans for each commercial/multi-slip facility before permitting to ensure compliance with all preceding applicable guidelines prior to requesting Duke Energy approval.

The following guidelines specific to commercial/multi-slip facilities apply in addition to the other requirements in these Guidelines:

- 8.1 Applicants must be a natural person; a corporation, partnership, or a limited liability company (duly formed and registered); or a division of government, and must be the

owner or leaseholder of the tract of land immediately adjoining the leased Duke Energy property. Applicants must also have a valid sublease with the PCLA for use of the shoreline property. PCLA will hold the sublessee fully responsible for the subleased area (including maintaining structures in good repair).

- 8.2 The construction of approved Construction Facilities must be completed as described in the Construction Permit and within 18 months.
- 8.3 All commercial/multi-slip facility boat launching/docking/mooring locations, whether in confined boat slips alongside the outermost boat slip fingers or at any other location, must be specified in the application along with the maximum launching/docking/mooring capacity for the facility.
- 8.4 New, expanded, or rebuilt commercial/multi-slip facilities approved to dispense gasoline must provide petroleum absorbent materials or similar best available technology at all the boat slips dedicated/available for gasoline dispensing.
- 8.5 Commercial/multi-slip Facilities will not be authorized for construction on/from islands.
- 8.6 New, expanded, or rebuilt commercial/multi-slip facilities shall not extend more than one-third the distance to the opposite shoreline as measured from the Normal Full Pond Elevation contour or extend more than 120 ft lakeward of the Normal Full Pond Elevation contour, whichever is more limiting. Additionally, facilities must be situated or constructed in size, dimension, or design such that an average-size moored watercraft will not interfere with access to other facilities and not obstruct ingress and egress of watercraft.
- 8.7 Low-pressure sodium lights with time or motion sensors to turn lights off when not needed are preferred. All outdoor fixtures should be fully shielded and installed in such a way that light is not emitted above the lowest part of the fixture. Incandescent lights should be well-shielded, low-wattage lamps that include time or motion sensors to turn lights off when not needed.
- 8.8 Low Impact Development practices for stormwater management shall be incorporated to the maximum practicable extent into the design of any facility located within leased area.
- 8.9 New or expanded commercial/multi-slip facilities may be considered for a maximum number of 10 boat slips/docking/mooring locations, will not be allowed in narrow coves 300 feet or less, and must be at least one-half a mile (measured over waters) from any other private facility or commercial/multi-slip facility.
- 8.10 The sides of covered slips are not to be enclosed. Handrails may be put on for safety, but must not be enclosed.
- 8.11 Facilities shall not use mooring buoys or similar detached structures to independently moor vessels. Mooring locations must be limited to areas within boat slips and along the outer edges of piers/docks as end ties.

- 8.12 Facilities shall be set back along the shoreline at least 200 feet from the outermost property corners of the development, at least 200 feet from any subleased areas that are not part of the proposed commercial/multi-slip facility, and/or according to local government zoning requirements if the zoning requirements provide for a distance of greater than 200 feet. This setback along the shoreline is determined by creating a 200-foot radius circle from the property corners.

**9.0 Items Prohibited on Leased Property**

- 9.1 Swimming pools
- 9.2 Septic systems and/or drain fields
- 9.3 Storage building, or other structures except as permitted in boathouses
- 9.4 Houses, including residential roof overhangs
- 9.5 Garages or carports
- 9.6 Animal lots and houses
- 9.7 Satellite dishes above thirty (36) inches in diameter
- 9.8 Fences
- 9.9 Fuel pumps or fuel storage facilities
- 9.10 Encroachments on adjoining leased areas
- 9.11 Electrical service that does not meet Nation Electrical Safety Code requirements
- 9.12 Facilities that represent health and safety hazards
- 9.13 Commercial/multi-slip activities without PCLA's written permission
- 9.14 Assignment or subletting of PCLA leases without prior written approval
- 9.15 Storage of vehicles
- 9.16 Underwater or partially submerged structures or facilities which could present a safety hazard
- 9.17 Storage or disposal of any regulated materials
- 9.18 The discharge of any concentrated runoff; that is, concentrating storm water run-off into a single pipe or ditch, that discharges onto Duke Energy property and accelerates erosion
- 9.19 The discharge or disposal of any material not specifically approved by PCLA
- 9.20 The use of tin or other metal materials to repair sides of existing boathouses or other structures
- 9.21 Fuel or other storage tanks
- 9.22 Sand beaches (exceptions may be made for use at public recreation facilities, as approved by Duke Energy)
- 9.23 Aircraft
- 9.24 Houseboats

- 9.25 Private boat ramps, ski jumps and rails, or jumps. However, this does not apply to developers in subdivisions who construct a boat ramp for exclusive use by homeowners in the subdivision so long as the boat ramp was approved by the PCLA Board prior to construction.
- 9.26 Burning below the 420 ft MSL contour line
- 9.27 Construction that extends into the right-of-way limits of existing or planned overhead, electricity-carrying utility lines.
- 9.28 Concrete or asphalt driveways and/or walkways. However, interlocking walkway materials may be approved.

## **10.0 Penalties / Fees for Violations**

Sublessees who own property adjacent to the lease area may incur a substantial penalty, (maximum three (3) times the transfer fee) from PCLA for any violations of these Guidelines, and those stated below:

- 10.1 Failure to obtain a sublease and/or secure a Construction Permit prior to construction of any structure and/or shoreline modification
- 10.2 Failure to obtain a Construction Permit to add or alter an existing structure.
- 10.3 Construction deviates from the original drawings submitted to secure a Construction Permit
- 10.4 Construction that does not conform with these Guidelines

**NOTE:** Should any contractor, while in the employment of a sublessee, violate any provisions of the Guidelines, PCLA will notify the sublessee in writing of the violation. PCLA may assess a penalty of up to three (3) times the transfer fee may be imposed on the sublessee. Failure to abide by these conditions may result in the cancellation of any existing sublease, and the restoration of any damage at the cost of the sublessee.