



CARTERET COUNTY BEACH COMMISSION MEETING

Minutes

Emerald Isle Board Room (<10 persons with spatial distancing - COVID-19 Precaution)

Remotely via Carteret County Zoom Account (<https://carteretcountync.zoom.us/>)

August 24, 2020, 2 pm

Attendance.

Commission Members A.B. "Trace" Cooper (chair), Jim Normile (vice-chair), Harry Archer (remotely), Larry Baldwin (remotely), Larry Corsello, Jimmy Farrington, Tom Rule, Woody Warren, secretary Greg Rudolph, and the general public. Members Joel Fortune and Douglas Guthrie were absent.

- (1) **Call to Order.** – Chairman Cooper called the meeting to order and thanked everyone for attending either in-person with proper spatial distancing measures employed or via conference call/Zoom.
- (2) **Approval of Minutes - Regular Beach Commission Meeting (July 27, 2020).** – Chairman Cooper asked the Commission if there were any corrections, additions, or comments regarding the July 27th regular session minutes presented in the agenda packet. With no comments forthcoming, member Corsello subsequently made a motion to adopt the minutes as presented, which was seconded by member Farrington and unanimously approved.
- (3) **Room Occupancy Tax (ROT) and "Beach Fund" Update.** – Chairman Cooper introduced the subject by noting the occupancy tax collections for the past few months have been akin to a roller coaster with respect to COVID-19, and the June collection was no different. Secretary Rudolph continued the June collection up by nearly +17%, and represents the highest June collection total ever in the history of the occupancy tax ([Slides 1 and 2](#)). Despite this record June collection, our FY 2019-20 total was down by -5.4% compared to FY 2018-19, which corresponds directly to the "COVID months" when there were restrictions on lodging and meal services. The secretary also noted the on-line collections were up significantly in June, and for all the latter months in the fiscal year as well.

The estimated reserve balance as of the end of June (FY 2019-20) is \$16.3 million and the secretary proceeded to review our anticipated budget developed a few months ago to help cost scope the upcoming Post-Florence Phase III Renourishment Project ([Slide 3](#)). In theory we could cash flow (cash advance) Emerald Isle for a \$29 million project. Thus all in all, we're looking really good – we had an excellent bid opening on August 10th (\$32 million winning bid) and roughly \$20 million of the project will be FEMA reimbursable. Thus if we are reimbursed for the 1st and possibly the 2nd invoice in due time, then we should have no problems cash flowing the entire project.

Member Warren helped conclude the topic by noting that the bookings (via Bluewater Realty) for July and August are going to be in record territory, and even September and October is

trending way upward compared to years past. Chairman Cooper noted that he is hearing the same type of trends for other realty agencies in the County as well. Robert Keistler, Stephen Gager, and Major Robert Burnham with the U.S. Army Corps of Engineers stepped into the meeting at this time and Chairman Cooper welcomed and introduced the guests.

- (4) **Bogue Banks Coastal Storm Risk Management (CSRM) Project.** – Secretary Rudolph introduced the topic and our speakers/presenters today which includes the Town Manager of Topsail Beach, Michael Rose, and the Coastal Program Manager and Water Resources Engineer for the City of Virginia Beach, Daniel F. Adams, P.E. and Phillip J. Roehrs, P.E., respectively. These gentlemen have graciously agreed to speak to us and have unique experiences and perspectives regarding the CSRM program. Topsail Beach is part of Topsail Island and their project is the [“West Onslow Beach” CSRM Project](#), which has been authorized, and akin to Bogue Banks, recently received construction funding. The towns of Surf City and North Topsail comprise the remaining part of Topsail Island and they have a [separate CSRM project](#). The City of Virginia Beach’s main CSRM effort is the 5.3-mile long [Sandbridge Project](#), which was initially authorized by Congress for construction in 1992, initially constructed in 1998 and has undergone several maintenance (renourishment) cycles since.

Mr. Rose expanded that the sand source for the Town Program is New Topsail Inlet and the adjacent interior waterway of Banks Channel, and State funding is provided via the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund. Conversely the Corps’ West Onslow Beach CSRM Project would use an offshore borrow source. This issues (different borrow sources) also becomes a cost issue even with federal funds in hand. Other issues pertaining to parking/access and easements are also somewhat problematic for the Town, and it likely the Town is going to continue with their own engineered projects and seek FEMA reimbursement in the event of federally declared disasters. Member Rule inquired to the parking challenges Mr. Rose alluded to, which in order to meet Corps guidance would have resulted in the Town pursuing on-street parking; and that would have proved to be tremendously challenging. Member Corsello also asked about the cost differences using State funding (Shallowdraft) and FEMA funding when applicable vs. CSRM funding. Mr. Rose replied that he didn’t have the exact number in front of him but added that another benefit for the Town was their local plan would nourish in front of non-conforming lots/structures while the CSRM Project would not. Thus any FEMA reimbursable projects would also nourish the same non-conforming lost/structures. The secretary and chairman proceeded to thank Mr. Rose for his time and presentation before Mr. Adams and Mr. Rhoehrs spoke.

Mr. Adams provided a general overview of the Virginia Beach coastline including the north-facing Chesapeake Bay side and the east-facing Atlantic Ocean side. There are federally authorized navigation projects within the City’s jurisdiction that include concurrent beach nourishment and other types of activity, thus working with the Corps of Engineers is very commonplace for the City. Virginia Beach has two CSRM Projects – one is the Resort Beach and the other Sandbridge, located south of Resort Beach. The borrow sources are Rudee Inlet, and Norfolk Harbor/a separate offshore area at Resort Beach and Sandbridge, respectively. In terms of Sandbridge, the City financed initial construction of the Sandbridge CSRM Project in 1998, and via a subsequent 2002 Project Cooperation Agreement; the Corps and City have since successfully undergone four maintenance (renourishment) cycles with the last recently completed earlier this year. However federal funding has been sporadic – some years there have been no federal funding, one time 20% of the total effort instead of the full 65%, and most recently no federal

funding. However there is a lot continuity at stake to keep the Corps managing the project – permitting, contracting, etc. Also the Corps (Norfolk District) has been very good to work with. Mr. Rhoers added the Office of Management & Budget has been the root of a lot of the Corps funding decisions (i.e., they develop the Administration’s budget), and that has been problematic for not just the Sandbridge Project but the CSRSM Program as a whole.

Chairman Cooper asked if there has been any storm-response funding provided by the Corps in between maintenance cycles. Mr. Rhoers replied that the Corp’s Flood Control and Coastal Emergencies (FCCE) line item has been used for this purpose – but again the FCCE has to “filled” for each storm by Congress/the Administration.

Mr. Keistler disclosed that an apparent low bidder has been identified for this year’s dredging work at the Morehead City Harbor that includes concurrent nourishment along Ft. Macon and Atlantic Beach (Weeks Marine at roughly \$18 million). Mr. Keistler continued by discussing some of the elements of the CSRSM Project that catalyzed a question from member Corsello concerning where does any unspent funding go in the Corps budget (i.e., if Topsail Beach does not participate in the CSRSM Project, then where would the construction funding go)? Mr. Keistler that it would almost certainly go back into the Corps’ portfolio. Mr. Brodman asked if more CSRSM Projects are added nationally yet the Corps is receiving generally the same amount of funding, then what are the prospects for the Bogue Banks CSRSM Project to receive maintenance funding in the future? Mr. Keistler replied that on the surface, it would appear that there would be less money to go around; but the decision to construct a project is not taken likely with respect to future maintenance obligations.

- (5) **Public Comment.** – None.
- (6) **Other Business.** – Secretary Rudolph provided the Commission a status concerning the proposed Old Ferry Channel Dredging Project ([Slides 4 – 9](#)).
- (7) **September 2020 Meeting Date.** – The Commission agreed that the next Beach Commission meeting would be held on September 28, 2020.
- (8) **Adjourn.** – Chairman Cooper asked for any additional comments or questions, and with none forthcoming, the meeting was adjourned.