

Shore Protection Manager

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**CARTERET COUNTY BEACH COMMISSION MEETING  
JULY 27, 2020; 2:00 pm  
EMERALD ISLE TOWN BOARD ROOM**

**Remote Access Information (Zoom Meeting):**

**Video & Integrated Computer Phone:**

<https://carteretcountync.zoom.us/j/88020420794?pwd=ODZRTWF6V093U21qQ2RJUVFrTUtzQT09>

**Meeting ID = 880 2042 0794; Password = 4BzV\$4**

**Phone Only Access: = 1.929.205.6099 (Meeting ID = 880 2042 0794; Password = 656903)**

## AGENDA

<b>(1)</b>	<b>Call to Order.</b>	<i>Chairman Cooper</i>
<b>(2)</b>	<b>Approval of Minutes.</b> (Regular Beach Commission Meeting – June 22, 2020)	<i>Chairman Cooper</i>
<b>(3)</b>	<b>Room Occupancy Tax (ROT) and “Beach Fund” Update.</b>	<i>Greg “rudi” Rudolph</i>
<b>(4)</b>	<b>Bogue Banks Coastal Storm Damage Reduction Project.</b> U.S. Army Corps of Engineers – Robert W. Keistler, Wilmington District Local Government Outlook – H. Layton Bedsole Jr., New Hanover County	
<b>(5)</b>	<b>Public Comment.</b>	
<b>(6)</b>	<b>Other Business.</b>	
<b>(7)</b>	<b>August 2020 or Next Meeting Date.</b> (TBD)	
<b>(8)</b>	<b>Adjourn.</b>	<i>Chairman Cooper</i>

d:\.../beachcommission/agendas/2020/july/july2020agenda

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## CARTERET COUNTY BEACH COMMISSION

### Agenda Topic Cover Sheet

# Approval of Minutes

## Regular Beach Commission Meeting – June 22, 2020

Meeting Date: **7/27/2020**

Topic No. **2**

Suggested Action: A motion should be entertained to approve the June 22, 2020 meeting minutes with any recommended changes from the Beach Commission.

Attached for the Beach Commission's review, comments, and subsequent approval are the minutes for the Commission's June 22, 2020 regular meeting.

d:\.../beachcommission/agendas/2020/july/topicsummary2



## 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/>)\*

*June 22, 2020, 2 pm*

### Attendance.

Commission Members A.B. "Trace" Cooper (chair), Jim Normile (vice-chair), Larry Baldwin (remotely), Larry Corsello, Jimmy Farrington, Joel Fortune, Tom Rule, Woody Warren, secretary Greg Rudolph, and the general public. Members Harry Archer, Jimmy Farrington, 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 (May 18, 2020).** – Chairman Cooper asked the Commission if there were any corrections, additions, or comments regarding the May 18<sup>th</sup> regular session minutes presented in the agenda packet. With no comments forthcoming, member Fortune subsequently made a motion to adopt the minutes as presented, which was seconded by member Corsello and unanimously approved.
- (3) **Room Occupancy Tax (ROT) and "Beach Fund" Update.** – Chairman Cooper introduced the topic by noting we will be discussing the April 2020 occupancy tax collection, which represents the peak of COVID-19 restrictions impacting the tourism/lodging industry. Secretary Rudolph continued utilizing a slide show aid ([Slide 1](#)) and noted the April collection was down by -89% compared to the April 2019 collection, resulting in over -\$160,000 less to the "Beach Fund" (beach nourishment reserve). Also because the COVID-19 impacts are so overwhelming, it masks any other collection trends that could be related to hurricane *Florence* (inventory issue last year vs. this year), Easter Holiday, etc. For the current fiscal year (2019-20), we are down by -11% through April, and May will certainly be in negative territory as well. However, anecdotally there has been a tremendous amount of visitation the last few weeks of May and that could very well result in a better than anticipated collection. Member Warren added that they (Bluewater Vacation Rentals) had one of their biggest Mays ever actually. The last three weeks of May easily made up for the first week or two of null activity in the month. Moreover, the months of July and August are experiencing a tremendous amount of reservation activity. Chairman Cooper thanked Commissioner Warren for that report. Secretary Rudolph concluded the briefing by noting the reserve value at the end of April was ~\$18 million and we should conclude the fiscal year at ~\$15 million looking at what is left remaining (invoicing wise) for our Phase II Hurricane *Florence* Renourishment Project. That is very much in line with our estimates.
- (4) **Bogue Banks Coastal Storm Damage Reduction Project (Discussion and Path Forward).** – Chairman Cooper and the secretary reviewed the U.S. Army Corps of Engineers (Corps) Bogue

Banks Coastal Storm Damage Reduction (CSDR) Project from its origins as a Feasibility Study, through the authorization process, and all the way to a surprise appropriation of \$44.5 million in January to construct the Project. There are a lot of terms of local cooperation that will need to be fulfilled once/if we sign the Project Partnership Agreement with the Corps. These items includes easement procurement, parking and access infrastructure, all non-federal funding, etc.; and all will require investments of time, money, or both. To help consolidate all of the issues, a “pro and con” sheet was included in the agenda packet and will be reviewed here today. Additional slides concerning some of the more “wonky” items will also be presented ([Slides 2 – 8](#)).

Before progressing to the individual issue slides, member Corsello asked if FEMA would reimburse the realignment of Bogue Inlet considering realignment plans are not included in the CSDR Project. The secretary replied “kind of” – if the inlet needs to be relocated the same time a storm hit and we used the dredged inlet sand for storm remediation purposes on the oceanfront beach – then yes. Member Corsello inquired to what triggers the Corps utilizes for nourishment and how these triggers compared to our Master Plan. Secretary Rudolph responded the Corps employs a more spatial or geometric approach – i.e., berm widths, elevations, etc., while we have adopted a more volumetric mindset. The secretary continued with slides describing the overall project budget, parking and access, implications to cost sharing regarding our current parking/access status, easement procurement, and Bogue Inlet realignment plans. Ultimately if we look at the project from an annual, amortized standpoint – the CSDR Project is sustainable with or without State funding, and with full or current/partial parking and access requirements met.

The secretary concluded the presentation with a slide summarizing the ten CSDR Projects in North Carolina – 4 have been authorized by Congress but not constructed, 1 is in the Feasibility Phase, 1 is undergoing a General Reevaluation Process, and 4 Projects have been constructed and maintained. Member Corsello asked if it was possible to see what the erosion rate was in between renourishment intervals for the older projects in North Carolina (Wrightsville Beach and Carolina Beach) and noting hurricane activity as well in between the renourishment cycles. The secretary replied that it might be a good idea to ask the Shore Protection Coordinator for New Hanover County to speak to us at a future meeting regarding these Projects and the issues the Beach Commission is concerned with. Vice-chair Normile and the Commission agreed that would be a good idea.

The vice-chair continued that he is more concerned with hurricanes impacting our beaches than the background erosion considering we are generally considered as a low energy, sand rich, south-facing barrier island. Also, forfeiting FEMA eligibility and the loss of engineering controls is also concerning if we opt for the CSDR Project. And lastly as discussed in the agenda and via email, all of these issues are important to evaluate now so we are prepared to provide presentations to each of the Bogue Banks municipalities as we all try to reach a unified decision. To this end, member Corsello asked if it would be possible to skip parts of the CSDR Project if a Town wanted to opt out (for instance). Secretary Rudolph replied that it would be extremely difficult to skip reaches because that would drastically change the Corps benefit/cost ratio and therefore the National Economic Development Plan, which is what the entire Project is predicated upon.

Member Baldwin (via Zoom) also inquired to which erosion approach might be better (Corps vs. our Master Plan). Again, losing control is an issue knowing the Master Plan is more

robust than the Corps CSDR Project. Chairman Cooper concluded by asking if we could compare the finances of the Master Plan vs. the CSDR Project. The secretary replied that we can look at our historical projects and begin to run scenarios and this would be a good exercise.

- (5) **Public Comment.** – None.
- (6) **Other Business.** – Secretary Rudolph provided the Commission a status concerning dune planting efforts associated with the Hurricane *Florence* Phase II Renourishment Project, and also presented several photos of the bedding and armor stone installation process that will result in the living shorelines component of the Atlantic Harbor Project.
- (7) **July 2020 Meeting Date (TBD).** – It was agreed upon that July 27<sup>th</sup> would be our next Beach Commission meeting, which is true to the normal schedule but will be dependent upon securing speakers/presenters and contingent upon the bid opening schedule for the Hurricane *Florence* Phase III Renourishment Project.
- (8) **Adjourn.** – Chairman Cooper asked for any additional comments or questions, and with none forthcoming, the meeting was adjourned.

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## CARTERET COUNTY BEACH COMMISSION

### Agenda Topic Cover Sheet

# Room Occupancy Tax (ROT) and “Beach Fund” Update.

Meeting Date: **7/27/2020**

Topic No. **3**

Suggested Action: None.

A copy of Carteret County’s May Room Occupancy Tax (ROT) collection report is attached to this month’s “Beach Fund” update, and these data are consequently utilized to revise four summary tables presented at the end of this coversheet including; **Table 1** - a running summary of ROT collections comparing monthly revenues from FY 2019-20 to FY 2018-19, **Table 2** - a summary of ROT revenue from a Calendar Year perspective (CY 2020 - CY 2013), **Table 3** - a more detailed FY 2019-20 to FY 2018-19 revenue comparison of the collection by sectors (hotel/motel, condo/cottage, and “other”), and **Table 4** - a year-to-date estimate of the Beach Nourishment Reserve Fund.

The May 2020 occupancy tax collection was down by only -4.3% compared to the May 2019 collection, representing a -\$24,149 total decrease for the month (-\$12,705 to the nourishment reserve = 50% of the total). The operative word of course is “only” because most of the month of May was dramatically impacted by State and federally mandated COVID-19 precautionary measures (e.g., stay at home orders, short term rental restrictions, spatial distancing, closing of non-essential businesses, etc.). North Carolina’s transition from Phase I to the less restrictive Phase II occurred on May 22<sup>nd</sup> while short term rentals were allowed with the onset of Phase I on May 5<sup>th</sup>. Thus regardless of whatever negative impacts COVID-19 had to visitation/occupancy in the earlier parts of May; it is apparent they were offset with a large inflow of visitors the last couple weeks of the month and therefore limited the losses for May as a whole. While this can perhaps be considered as a good foreshadow for June and the following summer months, the impacts of COVID-19 thus far concerning visitation/occupancy has dropped our fiscal year-to-date collection rate to -10.2%, corresponding to a -\$323,267 decrease to the nourishment reserve through May 2020 (\$3,167,717 in FY 2018-19 vs. \$2,844,451 in FY 2019-20). And although we can’t expect any reports for the summer months for quite some time to see if they will buoy the collection for the calendar year, we can report the occupancy tax collection is down by -32.6% for the first five months of 2020 which incorporates extremely sharp COVID-19 related declines in March and April.

And lastly as illustrated in Table 4 below, our estimated value for the “Beach Fund” at the conclusion of May 2020 is approximately \$15.7 million and was generated by taking our opening balance on July 1, 2019, our revenue through May 2020, and our expenditures to date through May 2020 into account. A copy of the expenditure report for the month of May is also attached to this cover sheet for the Commission’s review and is constrained to more of the Shore Protection Office’s administrative functions. We have also incorporated the financial transactions (invoicing and reimbursement payments) associated with all aspects of Phase I and II of the Post-*Florence* Renourishment Project into our reserve estimate – again current through May 2020, which includes an overwhelming bulk of the Phase II Project expenditures (i.e., some dune planting and engineering/construction administration costs remaining).

**Cumulative Analysis and Monthly Comparison  
Room Occupancy Tax (ROT) and the "Beach Fund"  
FY 2019-2020 v. 2018-19  
Carteret County**

Month	Gross Receipts TDA & Beach		Beach Fund (Monthly)*		Beach Fund (YTD)*		Occ. Tax Total Monthly Difference	Occ. Tax Total YTD Difference
	FY 18-19	FY 19-20	FY 18-19	FY 19-20	FY 18-19	FY 19-20		
Jul	\$1,951,256	\$1,713,896	\$975,628	\$856,948	\$975,628	\$856,948	-12.16%	-12.16%
Aug	\$1,339,735	\$1,565,053	\$669,867	\$782,526	\$1,645,495	\$1,639,475	16.82%	-0.37%
Sep	\$720,343	\$609,740	\$360,172	\$304,870	\$2,005,667	\$1,944,345	-15.35%	-3.06%
Oct	\$304,571	\$412,272	\$152,286	\$206,136	\$2,157,953	\$2,150,481	35.36%	-0.35%
Nov	\$380,894	\$240,881	\$190,447	\$120,440	\$2,348,400	\$2,270,921	-36.76%	-3.30%
Dec	\$150,872	\$144,499	\$75,436	\$72,249	\$2,423,836	\$2,343,171	-4.22%	-3.33%
Jan	\$166,761	\$149,611	\$83,380	\$74,806	\$2,507,216	\$2,417,976	-10.28%	-3.56%
Feb	\$153,978	\$159,825	\$76,989	\$79,913	\$2,584,205	\$2,497,889	3.80%	-3.34%
Mar	\$241,029	\$118,782	\$120,514	\$59,391	\$2,704,719	\$2,557,280	-50.72%	-5.45%
Apr	\$367,884	\$40,378	\$183,942	\$20,189	\$2,888,661	\$2,577,469	-89.02%	-10.77%
May	\$558,112	\$533,963	\$279,056	\$266,981	\$3,167,717	\$2,844,451	-4.33%	-10.21%
Jun	\$1,353,693		\$676,846		\$3,844,564			
Totals=	\$7,689,127	\$5,688,901	\$3,844,564	\$2,844,451	\$3,844,564	\$2,577,469	Avg. = -15.17%	-10.21%

Note: 6% overall collection rate (\* = 50 TDA/50 Beach Fund split ).

**TABLE 1** – Monthly and cumulative summary of the Carteret County room occupancy tax collection reflecting the current and previous fiscal year in terms of the gross revenue and the portion of revenue legislatively mandated for beach nourishment (i.e., the “Beach Fund”).

**Cumulative Analysis and Monthly Comparison  
Room Occupancy Tax (ROT) and the "Beach Fund"  
Calendar Year 2020 - 2013  
Carteret County (6% collection rate)**

Month	2020	2019	2018	2017	2016	2015	2014	2013	
	6%	6%	6%	6%	6%	6%	6%	6%	5%
Jan.	\$149,611	\$166,761	\$108,736	\$90,369	\$72,738	\$65,107	\$54,359	\$48,955	\$40,796
Feb.	\$159,825	\$153,978	\$147,363	\$102,895	\$80,744	\$66,976	\$60,118	\$52,897	\$44,081
Mar.	\$118,782	\$241,029	\$194,638	\$198,697	\$197,020	\$142,289	\$121,346	\$128,088	\$106,740
Apr.	\$40,378	\$367,884	\$426,106	\$378,586	\$267,064	\$238,039	\$218,570	\$187,767	\$156,472
May	\$533,963	\$558,112	\$314,986	\$574,112	\$495,403	\$519,427	\$530,041	\$373,921	\$311,601
June		\$1,353,693	\$1,582,294	\$1,211,103	\$1,254,762	\$1,194,984	\$1,119,788	\$1,126,150	\$938,458
July		\$1,713,896	\$1,951,256	\$2,022,661	\$1,945,706	\$1,799,562	\$1,714,309	\$1,440,439	\$1,200,365
Aug.		\$1,565,053	\$1,339,735	\$1,345,057	\$1,310,899	\$1,310,391	\$1,327,500	\$1,270,274	\$1,058,562
Sept.		\$609,740	\$720,343	\$651,908	\$632,513	\$598,281	\$514,648	\$471,580	\$392,983
Oct.		\$412,272	\$304,571	\$424,176	\$354,178	\$357,967	\$348,348	\$296,997	\$247,497
Nov.		\$240,881	\$380,894	\$260,361	\$192,591	\$148,172	\$125,217	\$145,665	\$121,388
Dec.		\$144,499	\$150,872	\$97,436	\$98,029	\$89,584	\$92,698	\$72,597	\$60,498
Totals =	\$1,002,560	\$7,527,797	\$7,621,795	\$7,357,361	\$6,901,648	\$6,530,780	\$6,226,944	\$5,615,329	\$4,679,441
YTD =	-32.61%								
(+/-) previous year		-1.23%	3.59%	6.60%	5.68%	4.88%	10.89%	6.55%	

**TABLE 2** – Monthly and cumulative summary of the Carteret County Room Occupancy Tax collection reflecting the current and previous seven calendar years in terms of the gross revenue only.

**HOTELS/MOTELS**

Month	2018-19		2019-20		FY 2019-20 v. 2018-19	
	Monthly	Year-to-Date	Monthly	Year-to-Date	Monthly	Year-to-Date
Jul	\$365,114	\$365,114	\$311,918	\$311,918	-\$53,196	-14.57%
Aug	\$217,643	\$582,757	\$252,144	\$564,062	\$34,502	-3.21%
Sep	\$236,742	\$819,499	\$167,716	\$731,778	-\$69,026	-10.70%
Oct	\$147,923	\$967,422	\$168,045	\$899,824	\$20,123	-6.99%
Nov	\$129,778	\$1,097,200	\$90,380	\$990,203	-\$39,398	-9.75%
Dec	\$92,243	\$1,189,443	\$62,371	\$1,052,574	-\$29,872	-11.51%
Jan	\$86,242	\$1,275,685	\$61,738	\$1,114,312	-\$24,504	-12.65%
Feb	\$83,762	\$1,359,447	\$77,605	\$1,191,917	-\$6,157	-12.32%
Mar	\$121,653	\$1,481,100	\$56,610	\$1,248,528	-\$65,043	-15.70%
Apr	\$156,419	\$1,637,519	\$23,288	\$1,271,816	-\$133,130	-22.33%
May	\$202,368	\$1,839,887	\$130,486	\$1,402,302	-\$71,882	-23.78%
Jun	\$271,570	\$2,111,457				
Totals=	\$2,111,457	\$2,111,457	\$1,402,302	\$1,402,302	-\$437,585	-23.78%

**CONDOS/COTTAGES**

Month	2018-19		2019-20		FY 2019-20 v. 2018-19	
	Monthly	Year-to-Date	Monthly	Year-to-Date	Monthly	Year-to-Date
Jul	\$1,462,838	\$1,462,838	\$1,291,633	\$1,291,633	-\$171,206	-11.70%
Aug	\$1,046,472	\$2,509,310	\$1,245,633	\$2,537,266	\$199,161	1.11%
Sep	\$446,022	\$2,955,332	\$399,296	\$2,936,562	-\$46,726	-0.64%
Oct	\$118,172	\$3,073,504	\$209,600	\$3,146,162	\$91,428	2.36%
Nov	\$225,997	\$3,299,501	\$109,563	\$3,255,725	-\$116,434	-1.33%
Dec	\$38,797	\$3,338,298	\$48,031	\$3,303,756	\$9,235	-1.03%
Jan	\$42,818	\$3,381,116	\$32,126	\$3,335,882	-\$10,693	-1.34%
Feb	\$25,854	\$3,406,970	\$21,635	\$3,357,517	-\$4,220	-1.45%
Mar	\$66,460	\$3,473,431	\$37,818	\$3,395,335	-\$28,642	-2.25%
Apr	\$154,609	\$3,628,039	\$8,580	\$3,403,915	-\$146,028	-6.18%
May	\$283,506	\$3,911,545	\$251,304	\$3,655,219	-\$32,202	-6.55%
Jun	\$1,044,576	\$4,956,121				
Totals=	\$4,956,121	\$4,956,121	\$3,655,219	\$3,655,219	-\$146,028	-6.55%

**OTHER, LESS THAN 5, & ON-LINE TOTAL**

Month	2018-19		2019-20		FY 2019-20 v. 2018-19	
	Monthly	Year-to-Date	Monthly	Year-to-Date	Monthly	Year-to-Date
Jul	\$123,303	\$123,303	\$110,346	\$110,346	-\$12,958	-10.51%
Aug	\$75,620	\$198,923	\$67,276	\$177,621	-\$8,345	-10.71%
Sep	\$37,579	\$236,503	\$42,728	\$220,350	\$5,149	-6.83%
Oct	\$38,477	\$274,980	\$34,627	\$254,976	-\$3,850	-7.27%
Nov	\$25,120	\$300,099	\$40,938	\$295,914	\$15,818	-1.39%
Dec	\$19,832	\$319,931	\$34,096	\$330,011	\$14,265	3.15%
Jan	\$37,701	\$357,632	\$55,747	\$385,758	\$18,046	7.86%
Feb	\$44,361	\$401,993	\$60,586	\$446,344	\$16,225	11.03%
Mar	\$52,915	\$454,908	\$24,354	\$470,698	-\$28,562	3.47%
Apr	\$56,856	\$511,764	\$8,510	\$479,207	-\$48,346	-6.36%
May	\$72,238	\$584,002	\$152,173	\$631,380	\$79,935	8.11%
Jun	\$37,547	\$621,549				
Totals=	\$621,549	\$621,549	\$631,380	\$631,380	\$47,378	8.11%

**TABLE 3** – Monthly and cumulative summary of the Carteret County occupancy tax collection segregated by each of the three collection sectors (hotel/motel, condo/cottage, and “other”) for the current and previous fiscal years in terms of the gross revenue only. Note: On-line collection was first implemented in January 2016.

**Estimated Year-to-Date "Beach Fund" Reserve Balance  
FY 2019-20**

<b>Opening Fund Balance (7/1/19)</b>	\$10,679,909
<b>Revenues</b>	
Occupancy Tax (to date)	\$2,844,451
Reimbursement from Municipalities (Indian Beach & Emerald Isle)	\$16,800,788
Coastal Storm Damage Mitigation Fund (S.L. 2018-134 & 138)	\$15,516,110
Interest on Reserve	NA
<b>Total Revenues</b>	<u>\$35,161,348</u>
<b>Expenditures</b>	
Shore Protection Office (5/31/2020)	\$468,806
Post Florence Renourishment Project - Phase I & II	\$29,639,706
County Occupancy Tax Administration Fee*	\$33,445
<b>Total Expenditures</b>	<u>\$30,141,957</u>
 (Deficit)/Surplus for Year	 <u>\$5,019,392</u>
 <b>Fund Balance</b>	 <u><u><b>\$15,699,301</b></u></u>

\*Up to 3% of first \$500,000 of gross proceeds and 1% of remaining gross receipts collected each year.

**TABLE 4** – Estimated value of the “Beach Fund” utilizing the opening fund balance at the beginning of the current fiscal year, coupled with the revenues and expenditures to date.

## OCCUPANCY TAX COLLECTION

**Reporting period: May-20**

Type	Tax Received	Penalties & Interest	Total Reporting Tax	Total No Tax
CONDOS/COTTAGE	\$ 250,967.57	\$ 336.41	46	135
HOTEL / MOTEL	\$ 130,486.09	\$ -	32	3
OTHER	\$ 5,036.70	\$ 308.15	26	108
ONLINE	\$ 146,827.96	\$ -	6	1
<b>TOTAL ALL TYPES</b>	\$ 533,318.32	\$ 644.56	<b>110</b>	<b>247</b>
<b>Total Collected</b>	\$ <b>533,962.88</b>			

### May-20

Reporting Location	Condos/Cottage Tax	Hotel/Motel Tax	Other Tax	On Line	Total
Atlantic Beach	\$31,677.40	\$23,297.11	\$1,116.29	\$0.00	\$56,090.80
Beaufort	\$615.18	\$14,323.43	\$836.57	\$0.00	\$15,775.18
Cape Carteret	\$0.00	\$7,788.14	\$0.00	\$0.00	\$7,788.14
Emerald Isle	\$213,251.72	\$22,683.94	\$2,812.71	\$0.00	\$238,748.37
PKS / Salter Path/ Indian Beach	\$2,470.51	\$27,229.96	\$127.96	\$0.00	\$29,828.43
Morehead City	\$0.00	\$29,067.30	\$27.60	\$0.00	\$29,094.90
On Line	\$0.00	\$0.00	\$0.00	\$146,827.96	\$146,827.96
Unincorporated	\$3,289.17	\$6,096.21	\$423.72	\$0.00	\$9,809.10
<b>Totals</b>	\$251,303.98	\$130,486.09	\$5,344.85	\$146,827.96	\$533,962.88

#### Notes:

- (a) The collection value represents the location of the reporting office only, and may not be 100% correlative to the actual lodging location.
- (b) The locations listed as "Unincorporated" are collectors not located in a municipality.

*** USER MAY NOT HAVE ACCESS ***		ANNUAL	ACT MTD POSTED	ACT YTD POSTED	REMAINING	
*** TO ALL ACCOUNTS IN RANGE ***		AMENDED BUDGET	AND IN PROCESS	AND IN PROCESS	BALANCE	PCT
110	GENERAL FUND					
40	ECONOMIC & PHYSICAL DEVELOP					
4901	BEACH NOURISHMENT					
12100	SALARIES	108,840.00	0.00	12,558.24	101,802.39	7,037.61 93 -----
12600	PART TIME WAGES	0.00	0.00	0.00	0.00	0
18100	FICA EXPENSE	8,330.00	0.00	938.67	7,550.34	779.66 90 -----
18200	RETIREMENT CONTRIBUTION	9,850.00	0.00	1,134.00	9,192.69	657.31 93 -----
18300	HOSPITALIZATION INSURANCE	9,515.00	0.00	622.09	6,880.59	2,634.41 72 -----
18500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0
18600	WORKMENS COMP	2,000.00	0.00	0.00	1,911.00	89.00 95 -----
18700	401 K PLAN	5,445.00	0.00	627.90	5,090.05	354.95 93 -----
20000	SUPPLIES	2,000.00	948.70	0.00	0.00	1,051.30 47 ----
28000	SMALL EQUIPMENT	2,000.00	0.00	0.00	0.00	2,000.00 0
31400	TRAVEL IN-COUNTY	2,400.00	0.00	239.78	2,274.54	125.46 94 -----
32100	TELEPHONE & DATA SERVICES	3,660.00	0.00	179.28	2,677.63	982.37 73 -----
32500	POSTAGE	1,000.00	0.00	0.00	210.25	789.75 21 --
39500	TRAVEL	5,880.00	0.00	0.00	1,111.91	4,768.09 18 -
44000	CONTRACTED SERVICES	385,470.00	0.00	33,101.40	324,731.09	60,738.91 84 -----
44100	FEASIBILITY AGREEMENT	0.00	0.00	0.00	0.00	0.00 0
44200	SECTION 933 REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00 0
49100	DUES AND SUBSCRIPTIONS	5,000.00	0.00	0.00	5,373.48	373.48- 107 -----
69900	GRANT CONTRIBUTIONS EDC	0.00	0.00	0.00	0.00	0.00 0
TOTAL:	BEACH NOURISHMENT	551,390.00	948.70	49,401.36	468,805.96	81,635.34 85 -----
TOTAL:	ECONOMIC & PHYSICAL DEVELOP	551,390.00	948.70	49,401.36	468,805.96	81,635.34 85 -----
TOTAL:	GENERAL FUND	551,390.00	948.70	49,401.36	468,805.96	81,635.34 85 -----

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## CARTERET COUNTY BEACH COMMISSION

### Agenda Topic Cover Sheet

# Bogue Banks Coastal Storm Damage Reduction Project.

Meeting Date: **7/27/2020**

Topic No. **4**

Suggested Action: Discussion.

For our third consecutive meeting, the Beach Commission is requested to continue our discussion regarding the U.S. Army Corps of Engineers' (Corps) Bogue Banks Coastal Storm Damage Reduction (CSDR) Project. In [May](#) we received a [detailed briefing](#) from Lee Wrenn & Associates concerning the procurement process for Real Estate Easements & Right-of-Entry Authorizations, and last month ([June](#)) we reviewed and had a good dialogue concerning some of the "Pros and Cons" regarding our potential participation in the CSDR Project and comparing these positive and negative elements to our current Master Plan/FEMA reimbursement approach ([slides](#)). For our July meeting, we are going to dive a little bit deeper into some of the subjects we have broached before.

**Hindcast Funding Model** – We thought it would be a useful exercise to apply the federal funding schedule attributed to the CSDR Program to the nourishment projects we have constructed over the course of the past two decades. Of course the CSDR cost-sharing formula includes a 65% and 50% federal input for initial construction and maintenance (i.e., periodic re-nourishment), respectively. All other funding is considered as non-federal and is often provided by the local government(s) and the State.

We will provide more details at our Beach Commission meeting concerning the following calculation, but for the sake of brevity;

- (A)** A total of \$171,332,088 has been spent on beach nourishment along Bogue Banks since 2001 (post-*Floyd*) entailing a total of 16,994,710 cubic yards (cy).
- (B)** However a significant amount of nourishment has been directly associated with the maintenance of the Morehead City Harbor Federal Navigation Project (i.e., full federal cost to dredge the harbor with beach "disposal" along the shorelines of Ft. Macon and East Atlantic Beach). If we tease the Harbor-related nourishment out of the

dataset, we can conclude that \$129,118,060 has been utilized to place 10,848,696 cy of sand along Bogue Banks.

- (C) Our first voter-approved bond referendum projects in Pine Knoll Shores, Indian Beach/Salter Path, and Emerald Isle in the years encompassing 2001 to 2005 can be assumed as "construction" (\$35,300,000 and 4,292,174 cy total). Thus, we can retroactively apply a 65% federal cost share to this group of projects to represent CSDR construction.
- (D) All other projects can be considered as "maintenance" and generally involve Section 933 Projects (delta efforts from the Morehead City Harbor) and our storm-related projects (*Isabel, Ophelia, Irene, and Florence*) that included a heavy amount of FEMA reimbursement and collectively total \$93,818,060 and 6,556,522 cy.
- (E) Once we apply the cost-share formulas to these assumptive construction and maintenance projects, we can derive that the federal contribution would be \$69,854,030 and non-federal would be \$59,264,030. If we amortize these costs over 19 years (2001 - 2020), this equates to \$3,676,528 federal/year and \$3,119,159 non-federal/year. Note: If the State does contribute 50% of the non-federal share, then the non-federal share would be \$1,559,580/year for both the County and State. Our occupancy tax currently yields at least \$3,500,000/year to the nourishment reserve. And lastly (and interestingly), the actual federal input for all the non-Harbor disposal projects during the 2001 to 2020 timeframe was \$63,885,241 - very close to our hypothetical hindcast CSDR exercise value of \$69,854,030.

**Guest Speakers** - At our last meeting and during some of our internal dialogue, we have asked questions that would better be answered by the Corps themselves and/or by local sponsors that have a long history with the CSDR Program. To these ends, Robert Keistler (Bob) with the Wilmington District will be joining us in person to provide the Corps perspective - Mr. Keistler has a long tenure as a Project Manager at the Wilmington District and also currently serves in the capacity as the Chief of Civil Works Programs and Project Management. Our second speaker will be H. Layton Bedsole, Jr. (Layton) who is the Shore Protection Coordinator for New Hanover County. Mr. Bedsole has been in this role since 2012 and has vast experience and institutional knowledge of the CSDR Program, especially with respect to the Wrightsville Beach and Carolina Beach CSDR Projects that were constructed in the 1960s and have been maintained (re-nourished) since. These projects are in addition to the Carolina Beach/ Kure Project that was constructed in 1998.

We have asked for Bob and Layton to provide a brief presentation of their choosing/discretion and of course we have a few questions in mind that can perhaps be summarized as follows (thank you to Commissioner Corsello for helping to formulate these). I very much appreciate Bob and Layton taking to the time to share their experiences with us, and am looking forward to our Beach Commission meeting on the 27<sup>th</sup> of this month.

***For the Corps (Mr. Keistler)***

- What is the Corps "trigger" point for maintenance/re-nourishment? Or is the trigger almost purely time-dependent? Can you speak to how the Corps' trigger may differ from the more volumetric approach the County has taken?
- Does the Corps' "trigger" mark require the entire Bogue Banks CSDR Project reach to be re-nourished? Or, can just a portion of the Project be re-nourished (hot spots)? Are there any minimum or maximum lengths to be considered in these regards?

- What/who determines which projects get re-nourished when Congress allocates Corps funds? I.e., generally speaking, what are the allocation metrics that are considered?
- Presently, the North Carolina CSDR Projects that have been constructed are rather "small" in length versus the length of Bogue Banks. What are the implications of this from the Corps perspective?
- What is the most important thing a non-federal sponsor should know going into the CSDR program?

***For Local Government/Non-Federal Sponsor (Mr. Bedsole)***

- What has been your experience (time of response, adequacy of response) with the Corps after a "disaster" type of an event?
- What has been your experience with the Corps after a more routine, maintenance "trigger" type of event?
- What are your "good" impressions of the CSDR program?
- What are your "not so good" impressions of the CSDR program?
- What is the most important thing a non-federal sponsor should know going into the CSDR program?