

Shore Protection Manager

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CARTERET COUNTY BEACH COMMISSION MEETING

Minutes
Pine Knoll Shores Town Hall
September 23, 2019, 2 pm

Attendance.

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

- (1) **Call to Order.** - Chairman Cooper welcomed fellow Beach Commission members and the audience; and subsequently called the meeting to order.
- (2) **Approval of Minutes – Regular Beach Commission Meeting (July 8, 2019).** – Chairman Cooper asked the Commission if there were any corrections, additions, or comments regarding the July 8th regular session minutes presented in the agenda packet. Member Jones subsequently made a motion to adopt the minutes as presented, which was seconded by member Fortune and unanimously approved.
- (3) **Room Occupancy Tax (ROT) and "Beach Fund" Update.** – Chairman Cooper introduced the topic by noting the June and July occupancy collections were down compared to the same months in 2018, which is not unexpected considering the reduced inventory associated with hurricane *Florence* is prohibiting a similar amount of visitors from staying in the area in summer 2019. Chairman Cooper continued that this was not catastrophic by any means and transitioned over to the Secretary for more detail. Secretary Rudolph noted the May and June occupancy tax collection reports included in the agenda materials signify the conclusion of FY 2018-19, and proceeded to summarize the ROT from this perspective ([slides 1 & 2](#)). The occupancy tax collection was up by +1.5% for FY 2018-19 when compared to the year prior (FY 2017-18), which is impressive considering the damage hurricane *Florence* caused. Rudolph noted the April, May, and June collections swing wildly; and therefore, there may have been some "cross pollination", meaning weekends in one month were reported in another. Regardless, there was a definite decline in the latter months of the fiscal year – the occupancy tax was up by +6.0% at the end of April, but again concluded at +1.5%. Also all the collection sectors (condo/cottage, hotel/motel, and "other") were all in positive territory at the end of April, but only the condo/cottage sector was in the black at the end of June.

The secretary also mentioned the July occupancy tax collection report was included in the agenda and provides a glimpse to the status of the 2019 calendar year. July was down by -12.2%, which has suppressed the calendar year date value to -3.5% (again, it was +6% at the end of April). This for sure is a result of the reduced inventory stemming from hurricane *Florence*, and

hopefully all the damaged structures will be fixed by next summer and we'll see a +12.2% uptick next year when everyone has a place to stay to reach our normal summer full capacity.

And lastly the secretary reviewed our occupancy tax/beach nourishment reserve value concluding FY 2018-19 (beginning of FY 2019-20), which was ~\$10.7 million. We know our July value and if we couple the July value with anticipating the August value (assuming a -14% decrease), then we can expect \$1.4 million to be added to the FY 2018-19 total, and hence the reserve value should be ~\$12 million. This number is important to keep in mind when we discuss the cost schedule for our upcoming Phase II Post-Florence Renourishment Project.

- (4) **Bid Result/Award Discussion: Post-Florence Renourishment Project (Phase II)**. – Chairman Cooper mentioned we had a bid opening scheduled for September 10th, and received two bids however State statutes require three bids to be received and therefore we had to re-advertise. The second bid opening was this past Friday (September 20th) and we were allowed to open however many bids were received at that time. The Commission and municipalities received an email regarding the results of the bid on Friday, but secretary Rudolph will provide more detail today. The secretary subsequently introduced Sam Morrison and Nicole Vanderbeke from Moffatt & Nichol and proceeded to thank them for their work on the bid solicitation package – releasing the bid/plans & specifications well before the dredging window opened was key in securing a favorable bid, and Moffatt & Nichol worked extremely hard to these ends. With respect to the project scope ([slides 3 - 6](#)), Phase I was completed this past spring along the beaches of East Emerald Isle and Indian Beach/Salter Path and Phase II will incorporate West Atlantic Beach, Pine Knoll Shores, the State oceanfront of Salter Path, and a portion of West Emerald Isle. Phase II is just about double the size (geographically and volume wise) as Phase I.

Great Lakes Dredge & Dock is the apparent low bidder at ~\$28.1 million, which includes the bigger line items such as mobilization/demobilization and unit cost, as well dune planting and contingency items such as stand by time and turtle trawling. Our estimate was ~\$31 million so we're very pleased with the outcome, and Great Lakes Dredge & Dock was our contractor for Phase I, and they performed very admirably. For the proposed cost schedule, we used a composite unit cost that incorporates all line items into a single unit cost per cubic yard (cy). That unit cost (\$14.12 per cy) was then multiplied by the total cubic yards proposed to be delivered to each political jurisdiction. The FEMA fixed-cost funding is applied to only the Towns that have received an award notice (Pine Knoll Shores), and the remaining costs are split 50% State via the \$15.3 million awarded earlier in the year and 50% "local". The local of course is split even further 75% nourishment reserve and 25% Town.

Secretary Rudolph continued that as an overall budget number, he would propose using \$14.50 per cubic yard to accommodate any extra turtle trawling days, perhaps more sand in certain areas, etc. This would increase the total budget from \$28.1 to \$28.9 million. Another aspect of the funding includes our forecasting of FEMA fixed cost funds. To this end, once Indian Beach receives the fixed cost funds, they will essentially reimburse the nourishment reserve \$6 million because the reserve provided \$6 million of the total \$7 million associated with the Phase I effort for Indian Beach. Hence the \$6 million added to our reserve balance of \$12 million equals \$18 million. That sum (\$18 million) can more than accommodate the \$11 million of combined local funding for Phase II and the secretary subsequently asked if the Beach Commission would consider making and passing a motion to approve the budget and for the occupancy tax beach nourishment reserve

to provide all non-FEMA, non-State costs to the Towns. This motion was made by member Archer, seconded by member Jones, and unanimously approved. Chairman Cooper subsequently mentioned this was a very good plan and it is not the Beach Commission's job *per se* to sit on the occupancy tax money collected from all the Towns, but rather to use it for its legislatively-mandated purpose = beach nourishment.

Secretary Rudolph turned the floor over to Mr. Morrison to outline the schedule going forward. Subsequent to discussing the contract execution, notice of award, etc., Mr. Morrison disclosed that we spoke to Great Lakes Dredge & Dock earlier today and the first dredge (*Liberty Island*) will likely arrive in the early stages of 2020. Two dredges will ultimately be used for the project that needs to be completed by April 30th (other dredge will be the *Ellis Island*)

Chairman Cooper asked the Commission if there were any additional questions or comments, and with none forthcoming; the secretary introduced Greg Flinn, who is a FAA licensed drone operator. Mr. Flinn was retained to conduct an island wide drone survey after hurricane *Dorian* passed earlier this month and to deliver all the video in addition to producing a 5 to 10 minute "highlight" video with supporting graphics, etc. We have a rough draft of the highlight video today and all the videos will be posted on the Shore Protection Office's [YouTube Channel](#) once complete. Mr. Flinn subsequently started the video and the secretary narrated the footage.

- (5) **2018- 2019 Annual Report: Bogue Banks Beach & Nearshore Mapping Program.** – Chairman Cooper introduced Nicole Vanderbeke from Moffatt & Nichol (M&N) to summarize the results of our annual beach survey, which is utilized to track sand, look at nourishment triggers, and ascertain the overall health of the beach – not just Bogue Banks, but Shackleford Banks, and Bear Island as well. Ms. Vanderbeke continued by starting a presentation ([Slides 7 – 66](#)), which summarized the methodology of the surveying program, an analysis of the key events (nourishment, storms, etc.) that took place over the course of the past year, and the results focusing upon volume changes, shoreline change, and the evolving geomorphology of the oceanfront beach.

Nicole Vanderbeke (M&N) proceeded from this point and highlighted that in essence, we are summarizing the results of three different surveys – one taken in spring 2018, one immediately after hurricane *Florence* (September 2018), and the spring 2019 survey. This timeframe and the surveys capture the impacts of hurricane *Florence* and the impacts of the Phase I Post-*Florence* Renourishment Project. Additionally, we can see what has happened to the beach/offshore in the months after *Florence* as well. It is apparent the sand that was displaced "deep" offshore during *Florence* has not moved back up the beach profile, and in many areas there was even more loss offshore in the subsequent months. This may not coincide with a visual assessment of the dry sand beach, as some sand that was just underwater has moved up slope; but again overall there has been significant losses offshore because of *Florence*, and from a "net" perspective across the entire profile, sand has continued to slide offshore. A similar response was seen along Shackleford Banks and Bear Island. With respect to the inlets (Barden, Beaufort, and Bogue); there really was not much change (i.e., movement or shoaling). Ms. Vanderbeke concluded by discussing the Phase II Renourishment Project scheduled for this upcoming winter, and the fact we have completed a post-*Dorian* survey and the results will help in the final design of the Phase II Project. The results of the *Dorian* survey will be presented the next time the Beach Commission meets.

- (6) **Public Comment.** – None.
- (7) **Other Business.** – None.
- (8) **October 2019 Meeting Date (October 28, 2019).** – It was agreed upon the next Beach Commission meeting would be held on October 28th at 2:00 pm, Pine Knoll Shores Town Hall.
- (9) **Adjourn.** – Chairman Cooper asked for any additional comments and with no additional comments forthcoming, the meeting was adjourned.