

Shore Protection Manager

Greg L. Rudolph
Tel: (252) 393.2663
Fax: (252) 393.6639
rudi@carteretcountygov.org

www.protectthebeach.com



CARTERET COUNTY BEACH COMMISSION MEETING

Minutes

Pine Knoll Shores Town Hall

November 28, 2005, 2 pm

Acronyms:

CBOC – County Board of Commissioners

EI – Emerald Isle

IB – Indian Beach

NCDCM – N.C. Division of Coastal Management

PKS – Pine Knoll Shores

USACE – United States Army Corps of Engineers

Attendance.

Commission chair Buck Fugate, vice-chair William Donnelly, Commission Members Tom Doe III, Jack Goldstein, Jerry Huml, Joan Lamson, Ted Lindblad, Pat McElraft, Jim Stephenson, Jim Willis III, secretary Greg Rudolph, and the general public. Member Vincent Oliveri was absent.

- (1) **Call to Order.** – Chairman Fugate called the meeting to order.
- (2) **Approval of Minutes (Regular Beach Commission Meeting – September 26, 2005).** – Chairman Fugate asked the Commission if there were any corrections, additions, or comments regarding the minutes presented in the agenda packet. No comments were forthcoming from the Commission and Member Goldstein motioned that the minutes from the Commission's regularly-scheduled September meeting be approved as presented. The motion was seconded by member Willis and unanimously approved.
- (3) **Occupancy Tax and "Beach Fund" Update.** – Secretary Rudolph mentioned that the last three monthly occupancy tax reports were included in the Commission's agenda packet (August, September, and October 2005) in addition to a summary comparing the receipts from FY 2005-06 to FY 2004-05. The receipts for the current fiscal year have been very robust including an 11% increase reported in July, a 26% increase for August that is attributed to the General Assembly mandated change in the school calendar, a 7% increase for September despite Hurricane *Ophelia* and the gasoline shortage scare associated with Hurricane *Katrina*, and a 9% increase reported for October. Member Goldstein mentioned that some of the increase seen in the occupancy tax can be attributed to increases in overnight rates, but there have been more visitors along Bogue Banks as well. Member McElraft added that the audit of the occupancy tax revealed some back assessments that are up to 3 years behind and member McElraft inquired if the signature of these assessments, which are also under protest, can be seen in the occupancy tax receipts. Secretary Rudolph replied that he was unsure whether or not these back taxes have been collected. Member McElraft offered to research this issue with the County Administration. Secretary Rudolph followed

by noting that in terms of real dollars, the increase thus far in the fiscal year is 15% and should equate to approximately \$175,000 more than at this point in time if compared to last fiscal year. Member McElraft asked what the figure was in the Beach Fund reserve. Secretary Rudolph replied that he wasn't sure offhand, but the ballpark number is \$1.0 million, and that he will get the exact dollar figure to the Commission as soon as possible.

- (4) **Nomination Committee Appointments and Upcoming Beach Commission Vacancies.** – Chairman Fugate mentioned that a summary of the nomination procedures was included in the Commission's agenda packet and the elections for the officers of the Beach Commission and term start and end dates were changed from October to the following January. There are four vacancies for this upcoming January and the chairman disclosed that he would prefer appointing the entire Commission as the nominating committee. The chairman continued that he will be moving to EI and that in his departure; IB would like to nominate mayor-elect Stewart Pickett. The chairman also assumed that members Doe, Lindblad, and McElraft would like to continue to serve on the Beach Commission. These members (Doe, Lindblad, and McElraft) expressed their desire to continue in their service and mentioned that where applicable they will seek approval of the Town Commissions that they are sitting on. Member Willis reminded the Commission that a County board application must be completed prior to being appointed/re-appointed.

Chairman Fugate asked if the Commission would like to approve the slate of four persons for nomination to the Beach Commission and submission to the CBOC. Member Lamson made a motion for the approval of Doe, Lindblad, McElraft, and Pickett. The motion was seconded by vice-chair Donnelly and unanimously approved.

- (5) **FY 2006 Federal Beach & Waterway Appropriation Summary.** – Secretary Rudolph mentioned that the Energy & Water (E&W) Development Appropriation Bill is one of the twelve spending bills that constitute the discretionary portion of the Federal budget. The bill also provides cost-sharing and non-cost-sharing funds for the USACE to construct and maintain waterways and beaches, and the FY 2006 version of the bill was signed into law by the President last Monday (11/21/05). The total dollar figure for the bill was \$30.5 billion with \$5.4 billion appropriated to the USACE. The \$5.4 billion for the USACE is a historically high number as the Senate number earlier in the year was \$5.3 billion and the House was \$4.7 billion. It was reported that the House and Senate agreed to split the difference and appropriate \$5.0 billion for the USACE; the final appropriation figure again was \$5.4 billion. On the surface the \$5.4 billion figure appeared to be good news for beaches and waterways; however the actual dollars earmarked for beach waterways is almost exactly the same as that in the past.

Secretary Rudolph guided the Commission to two spreadsheets in the agenda packet. One sheet has all the N.C. appropriations for waterways and beaches segregated in the USACE's three accounts (operation & maintenance, general investigation, and construction general), and the figure for each project in the President's budget, House, Senate, and conference. The second sheet has all the beach nourishment/shore protection figures for the Country that has been adapted from Marlowe & Co. One of the trends that developed through the year and in sequential order was; (a) the President's budget was very low for the USACE, (b) the House bill mimicked the President's recommendations, (c) the Senate bill increased the President/House figures and added new projects to the overall list, and (d) the conference bill included all the projects in previous versions of the bill but at a lower dollar figure. Secretary Rudolph used Morehead City Harbor as

an example by noting that \$3.575 million was included in the President, House, and Senate budgets, yet \$3.218 million was provided in the conference bill.

Locally, \$3 million was appropriated for the Section 933 Project that is anticipated to place dredged material from the Morehead City Outer Harbor along the shorelines of PKS. The secretary added that he hoped that the \$3 million dollar figure would be enough for the project reminding the Commission that \$3 million was secured last year for the Brandt Island Section 933 Project that was acquiesced when sediment compatibility issues were encountered. Although there were assurances that the funds appropriated last year would be returned to this year's Section 933 Project, this has not transpired yet. The dredging bids for this year's Section 933 should be opened in a week or two. Member Lamson inquired to why the bid opening has been delayed. Secretary Rudolph replied that the USACE is trying to balance the funds they have in hand at the time the bids are opened to the volume of dredged sand these funds can support. Chairman Fugate asked for how much longer can the bid opening be delayed. Secretary Rudolph responded that the project will need to begin in January, thus late December/early January is the timeframe to award the bid. Also the bid is a single package for the Morehead City and Wilmington Harbors. Secretary Rudolph continued that the Shore Protection Project Feasibility Study received \$75,000 despite having \$150,000 in the Senate budget; however the \$75,000 figure should be enough to complete the study. Another topic is the five waterways located south of Cape Lookout that are maintained by the USACE's dredging fleet (Bogue, New River, New Topsail, Carolina Beach, and Lockwoods Folly). These inlets all received appropriations with the exception of Bogue Inlet. The four inlets that were funded received half of their capability in the Senate budget and 10% less of that figure in the conference bill. The deep draft projects such as Morehead City and Wilmington Harbor received adequate maintenance funding, and the Wilmington Harbor received a lesser than full number for deepening.

Secretary Rudolph added that another important component is a Hurricane relief package that may be passed by Congress in December in relation to Katrina, Ophelia, and Rita. The President provided a dollar figure for the package, which was developed utilizing a list generated by the USACE. The list does contain projects relative to Carteret County. However, Congress could pass a bill at a lower dollar figure and therefore some projects maybe omitted. Member Stephenson asked what projects in Carteret County could be funded in the supplemental package. Secretary Rudolph replied Bogue Inlet, Pamlico Sound to Beaufort Harbor, Back Sound to Barden Inlet, and some additional funding for the Feasibility study. Member Stephenson also asked what the political motivation was behind leaving Bogue Inlet out of the E&W Development Appropriation Bill. Secretary Rudolph answered that there are three theories; (a) there was confusion regarding the Bogue Inlet Channel Realignment Project, (b) the \$0 number was retribution to Congressman Jones for his positions on USACE funding and the war in Iraq, or (c) it was a simple oversight. It doesn't appear that retribution was involved because there were other projects in Congressman Jones' District were funded and likewise, there are two N.C. Senators that also have a stake in these appropriations. Members Lamson and Lindblad asked if it was wise to only provide partial funding for projects. Secretary Rudolph replied that a "little for everyone" does not work in most circumstances because there are multiple mobilizations, and cost/benefit issues to reconcile.

- (6) **2004-2005 Annual Report – Bogue Banks Beach and Nearshore Mapping Program.** – Chairman Fugate introduced Coastal Science & Engineering's Dr. Timothy Kana, who subsequently provided a PowerPoint presentation to the Beach Commission and audience

summarizing the key aspects of the 2005 Bogue Banks Beach & Nearshore Mapping Program that includes periodic surveying of Bogue Banks, Shackleford Banks, and Bear Island. The report is available at <http://www.protectthebeach.com/Monitoring/2005%20BB%20Report.pdf>.

- (7) **Public Comment.** – None.
- (8) **Other Business.** – None.
- (9) **January 2006 Meeting Date (January 23, 2006 – proposed).** – It was agreed upon that the December Beach Commission meeting would be cancelled for the holidays with the next meeting scheduled for January 23rd at 2:00 pm.
- (10) **Adjourn.** – Chairman Fugate asked for any additional comments and with no additional comments forthcoming, the meeting was adjourned.