



**TOWN OF HOLDEN BEACH
INLET AND BEACH PROTECTION BOARD
SPECIAL MEETING
FRIDAY, DECEMBER 7, 2018- 2:00 P.M.**

The Inlet and Beach Protection Board (IBPB) of the Town of Holden Beach, North Carolina met for a special meeting at 2:00 p.m. on Friday, December 7, 2018 in the Town Hall Public Assembly.

CALL TO ORDER/ROLL CALL

Chair Vicki Myers called the meeting to order at 2:00 p.m. Present were: Chair Vicki Myers, Vice Chair Mike Pearson, Members Richard Rice, Ronda Dixon and Dean Thomas. Town Manager David Hewett and Assistant Town Manager Christy Ferguson were also in attendance. Chair Myers asked that the public hold their comments until the Public Comment period on the agenda.

DISCUSSION AND POSSIBLE ACTION ON LOCKWOOD FOLLY INLET DREDGING ISSUES

Assistant Town Manager Ferguson gave background on the reason for the special meeting today. She said the email from Brunswick County Deputy Manager Steve Stone asked that the towns give their input by early January. Chair Myers drew attention to the resolution and the statements in the resolution that referenced modeling and data driven cost analysis. Town Manager Hewett said he would comment by asking a question. He said he has a lot of questions about the whole issue. He asked who would be making the decision about modeling that was referenced in the resolution. He said that from our perspective he would think we would forgo modeling if it was coming to us. Chair Myers read aloud from the BE IT ALSO RESOLVED last paragraph in the resolution.

Chair Myers said she wanted to talk about other aspects of the project. Member Dixon said they heard from Fran Way, the Town's engineer, when they had the regular meeting. She continued they read through the packet. She questioned if Oak Island got a different packet. Town Manager Hewett said that he only knows what he got. Member Dixon said from a high level the county wants to know if we want the sand. It doesn't mean that the county wouldn't do the project anyway. Brunswick County is looking at it from navigation. Navigation is important, but the sand is more important to us. She said Mr. Way is saying 250,000 cubic yards or below is okay but anything more could have a negative impact. Chair Myers said she had questions. She stated the memo from Steve Stone references if the project is successful. She wonders how that is defined and how it will be determined. She says the memo mentions a sharing perspective and alternating and she has a problem with that. She questions if we ever had an assessment of how much sand can safely be removed from the inlet. Town Manager Hewett said there may have been an attempt at a sediment budget as part of the 50 year project assessment. Chair Myers said from what she saw it looked like the most that came out was 140,000

cubic yards in 2010. Member Dixon asked if the AIWW crossing is 120,000 cubic yards or so. Chair Myers asked what the implication of the county taking responsibility of the maintenance for the project is. Town Manager Hewett said there are several statements in the application that the county signed up for that he doesn't know the answers to, including the wording that they will obtain the easements. Assistant Town Manager Ferguson said she and Town Manager Hewett met with Ken Wilson, the county's engineer the week prior. She said he is thinking it will be a permit modification or a minor permit. She said the permitting cost has been embedded in the grant application. She continued that the Town paid for our permitting efforts in our SDI-5 permit and we are currently paying for easements so that should be taken into account for the cost share. Chair Myers said from previous meetings about this project, she had notes that Doug Huggett from CAMA thought it would be a major permit modification that included additional core samples and a 408 review, sediment analysis and larval transport. Vice Chair Pearson said when you go back and look at what the county originally said, one of the objectives of the project was there would be less times the inlet had to be dredged. He said if we don't get the sand from this project and they don't have to dredge the inlet every two years, the next available sand coming out of that inlet is five years away. He said he looks at it as how long it could be before we get sand back without having to do it like Central Reach. Chair Myers said the sand that is coming from this project is coming from the outer bar and that would not be the crossing or the AIWW. Vice Chair Pearson said if we don't get it this year, he wonders where we would be years from now.

Chair Myers said in moving forward she thinks the board has to look at feasibility and costs to make a recommendation. She said if you look at feasibility there are permitting concerns, like an Environmental Impact Statement (EIS), turbidity, possible changes to saliently, essential fish habitat. Town Manager Hewett said all of the things she mentioned are part of a full blown EIS. Chair Myers said that summarizes all that she is thinking that plays into the feasibility. She asked what other aspects the IBPB has that play into feasibility. Vice Chair Pearson said you are digging a big hole out there and asked is it going to be a trap for sand? He wonders if the sand would get here from Oak Island. Member Dixon said we have a lot of questions and she doesn't know if we can get the answers in the timeframe we have. Town Manager Hewett said the draft report would have to come out of the meeting today in order to make a recommendation to the BOC. Town Manager Hewett said he will comment on the feasibility in terms of the grant application itself. He said the application was based on a hypothetical situation in which a piggybacking effort on another project with a dredge being in the area occurred. He continued that not only is the likelihood of it hypothetical, the project takes an ocean certified dredge. He said if you are doing a hopper dredge or traditional hydraulic pipeline dredge they can be four to seven million dollars. He said given that scenario happening, it may be feasible. Member Dixon said all we have to make a decision on today is the information we have. Town Manager Hewett said if you pare it down to what our cost will be, it is a little over \$4 per yard. He said he doesn't know if it will realistically happen. Chair Myers asked if we agree to participate and the budget gets blown out of the water how that works. Town Manager Hewett said if bids come in higher than grant awards would accommodate, we are probably locked in on the amount of grant awards but there may be an opportunity to go back for supplemental grant funding. Another option would be to negotiate, pony up more funds from the participating agencies or not do the project.

Chair Myers said in terms of costs it is based on piggybacking. Member Dixon said we don't know that now so we have to go with what we have. Chair Myers asked about permitting. She questioned if we incurred the costs in permitting is that reimbursable? Town Manger Hewett said there are tolerances

on reimbursement categories. Chair Myers said since we incurred the cost and paid it and the easements, we can't get reimbursements on those costs. Town Manager Hewett said we are sunk on our costs. Assistant Town Manager Ferguson said based on the meeting with the county's engineer, she didn't get the feeling they were going to be willing to do future modeling. Member Dixon said with all the concerns the board has about costs, all the concerns about the impact to the east end, the overall biggest concern is that another town gets the sand from the project. She continued there is a million dollars here that is not in the budget, but the commissioners have to decide that. Member Thomas said that he can second that. He feels like the board should recommend to pursue this but raise concerns. He doesn't know about the permitting, and if that goes from minor to major, we need to slow down and do some homework. He said ultimately the commissioners are the ones making the decisions along with the Town management. Member Rice says he agrees the Town needs to play but we need to identify our concerns. Part of what he sees here is the county favored Oak Island and they are trying to make everybody happy. He understands what they are trying to do by alternating the project. He doesn't think anybody knows the real costs yet. He stated these are the questions we need to raise to the commissioners and then specify here are some rules. Member Dixon said this is a very different project than dredging the inlet. If you put it back on Oak Island then it is just going to fill back into the inlet. She asked if you do this dredging, how one affects the other. Member Rice said nobody can answer if you do this dredging how one affects the other. He continued there are general indicators but there are no answers. Vice Chair Pearson said the county asked for our level of interest. We have a high level of interest but we have questions and concerns. Chair Myers said her personal perspective is that all the inlet sand should be put on Holden Beach because we are the down drift beach just like Ocean Isle is the down drift beach of Shallotte Inlet. Member Dixon said there is a case to be made that at least on this project we are not in support of sharing. She said there is a case to be made that Holden Beach gets that sand every time. Chair Myers said they asked for our level of interest in participating but didn't ask for our philosophy. She said she thinks we will have to keep plugging on our positions. Chair Myers said the grant is here, it has been released. Member Dixon said if they can get a minor permit let's do it.

Chair Myers focused back on the memo to go to the BOC. She said the IBPB met in a special meeting on December 7 to discuss the email from the county. She referenced the BOC Resolution 18-10 that states before a decision is made a data driven cost benefit analysis that includes possible environmental impacts be completed, and it also notes that no historical data or state of the art modeling has been produced. She suggested they should cover feasibility, costs, and recommendation components. Town Manager Hewett would like to see the suggested source of funding come out since it would be the upcoming budget year. Specifically, he is talking about the capital reserve fund for inlet and beach nourishment and how that might play into it. Chair Myers asked if that was in their purview. Town Manager Hewett said they are responsible for feasibility and costs according to their charter. Member Dixon asked if there were any thoughts on where the million dollars could come from. Chair Myers said she thinks that fund might be the only place right now. Member Dixon asked what other options there would be if the buckets were all full. Chair Myers said if the buckets were full straight from BPART but she said she thinks the capital fund is about the only option they have. She said that fund mentions beach nourishment and inlet management projects. Chair Myers said it kills her for taking funds out of there when she wanted it to be the "savings account". Town Manager Hewett read from the capital

reserve fund language. Chair Myers asked under feasibility if this would be the only place it could come from without raising taxes. Member Dixon asked where we are on the BPART fund. Town Manager Hewett said to access other funds in the BPART account you are going to be running into a legislative issue on what those funds are supposed to be used for. He continued that the 30 June 2018 number was just over \$6,000,000. Member Dixon says the deepening and widening project is going to be in the 2019-2020 budget. She said she would have to do homework on BPART and if it would be viable to pull from that. Member Thomas asked what the cost has been historically to dredge the inlet. Town Manager Hewett said recently with the shallow draft fund's creation the fees have come down but the Corps' fees also fluctuate. Member Thomas said we are seeing this opportunity, he just wanted to get a perspective on what we spent before. Town Manager Hewett said he thinks this is the county's perspective on how to do it on a larger scale to make it last longer instead of the historic sidecaster operations. Town Manager Hewett referenced a separate rate for each dredge that is part of the Corps' plant. Assistant Town Manager Ferguson said she doesn't have the file in front of her but she thinks last year's contribution from the Town was around \$84,000. Member Thomas said he doesn't know if this board should be making the decision about where to pull the funding. Town Manager Hewett said there is money in the BPART budget in the LWF Inlet Dredging Line, but the Corps has mentioned the possibility of piggybacking if the Corps lets go of the contractor for the bend widener work. Member Dixon said we don't want to let go of that money yet if there is still opportunity there. Town Manager Hewett said he doesn't know if the board has seen the east end of the beach, but there has been erosion down there. Town Manager Hewett said if it is not spent on a project by April, it may not be used. He said it is in the BPART fund and it would roll over into unobligated fund balance. Town Manager Hewett said the BOC was quite adamant in being ready with piggybacking, but didn't anticipate a project of this size and expense.

Chair Myers tried to sum it up. She said we are very interested and are concerned if it goes to a neighboring island, it could be detrimental to our island. She said there are feasibility issues in that it is based on piggybacking. She stated as far as costs, we know what the cost is. Member Thomas said with feasibility we have concerns to our beach and if we dig this big trench, if it has impacts to Oak Island, who is responsible. Chair Myers said maybe there should be a concerns section. Member Dixon said being that we are the down drift island there is more concern for Holden Beach. Contract extension was discussed in regard to the grant. Assistant Town Manager Ferguson read the contract period that was listed in the grant. Chair Myers said there is feasibility concerns in regard to the permitting issue of whether a minor versus major permit will be necessary. Chair Myers asked if a 408 review would be required. Town Manager Hewett said he hesitated to attempt to say what might be required for this project. He said we are the holder of the permit at present. She asked if our permit allows us to do this. Town Manager Hewett said he doesn't know but he does know that our existing permit mimics the federal authorization and the authorized federal channel width and depth is exceeded in the grant information. In order to get an ocean certified dredge in there, they are asking to be able to go wider in order to reach economies of scale on the dig. He said it depends on who you ask if it is major or minor. He said he hasn't been privy to that conversation because it wasn't our consultant engineer doing the work. Town Manager Hewett said how our permit would need to be modified is an issue in and of itself from our perspective. Chair Myers asked if the board should just say there is concern about permitting.

Member Dixon added both modification and costs. Chair Myers also talked about the availability of an ocean going dredge to be able to complete the work in a timely manner. Member Thomas said that is what costs are based on now and if that doesn't occur costs could skyrocket. Chair Myers asked if there was anything else under feasibility. Member Thomas mentioned the 250,000 cubic yards and the east end and modeling. Member Rice said he thinks it is a separate issue on concerns. Member Thomas said he would have concern with if impacts occur to Oak Island who is responsible. Town Manager Hewett asked if we are asking about measuring success from the letter. Chair Myers said she was thinking it would be tied to how often they have to dredge in regard to success from their perspective. Town Manager Hewett said he thinks this board might want to communicate measure of success as a concern to the BOC. He said he doesn't think anyone has set a threshold on what success or failure would be in terms of navigation or erosion. In regard to costs, Member Dixon said we have concerns if piggybacking doesn't occur. Chair Myers said in terms of costs, the cost is good per yard. Member Dixon said she doesn't feel comfortable recommending where the funds should be taken from. Member Rice said it is not in their bailiwick to provide information on where the funds should come from. Town Manager Hewett said the funding source is probably not a prerequisite to being able to tell the county that we are interested.

In considering recommendations, the board made several comments. Chair Myers stated that she understands they are recommending that the town pursue this opportunity (by affirmation). She continued the dredge material should come to the east end of Holden Beach especially since we are missing the current cycle on the crossing sand. Member Thomas said the IBPB is expressing their concerns and recommend they also be escalated or shared by the BOC. Chair Myers said under that topic it would also include possible future sharing, definitions of success, and frequency of maintenance. Member Dixon asked about easements being in place before this project can move forward. Town Manager Hewett said the easement issue is probably best addressed as a separate issue. He said you have to remember that this project is different than our SDI- 5 project because the berm placement is seaward of the high tide mark. Member Dixon referenced a discussion about easements at the North Carolina Beach, Inlet, and Waterway Conference where it was discussed as being a more difficult process. Town Manager Hewett said the Town is working on the easements and the issue is not just here it is nationwide, so we have been told. He said he will comment, and this is his opinion, that even with a high level interest and if it is recommended to go forward, he doesn't think the board or the Town's being agreeable to be engaged on this project should be perceived as concurrence on going along with an alternating placement of sand. He said he doesn't think we should agree with it going to the other side after this project is successful. It might be splitting hairs, but we are going to have erosion on the east end, it just might be whether the inlet holds the cut longer. He doesn't think that the Town going along with this project means that we agree to flip the sand every other time.

Chair Myers reviewed items under feasibility, costs, concerns, and recommendations for the memo to the BOC. Town Manager Hewett asked when they reference a good deal do they want to raise concern about the burden share the county is offering up. He said it is 25% from 50%. He said it is a \$344,000 question. Chair Myers said the burden share of 75/25 has been increased from past projects and the IBPB suggests it be discussed. Town Manager Hewett said the county gets over \$5,000,000 from ad

valorem taxes for the Town of Holden Beach and he questions why the burden should not be at the same level it has been in the past. He said it is just one aspect of what could be factored in to reducing the burden share. Member Dixon said she just remembers that she once heard that you should be strategic. She worries what happens if Oak Island answers and doesn't have any concerns. Chair Myers asked the board if they are okay with her taking the suggestions and creating a memo to send to the BOC because this is a timing issue. Town Manager Hewett said he thinks she is okay as long as the IBPB is okay by consensus with the chair doing that. *The board approved by consensus.*

PUBLIC COMMENTS

Commissioner Freer said it was a very interesting and very detailed meeting. He said he thinks it triggers thoughts from the audience hearing the detailed level of conversation. Member Thomas said we are calling it an issue but it is really an opportunity. Chair Myers said that Ken Wilson questioned a design placement from previous nourishment fitting in the template. Town Manager Hewett said in the past it was just spread west and in regard to the SDI-5 permit the template comes way down the beach. He said he thinks the design in the packet is a template of what that amount would look like but in practice sometimes the yield is more and you pile it up higher or spread it out further.

ADJOURNMENT

Motion by Member Dixon to adjourn at 3:31 p.m., second by Vice Chair Pearson; approved unanimously.