Daniel Tuman, Mayor Joann M. McDermon, Mayor Pro Tem Aldermen: Mike Benson Jerry Heid Tom Leonard Richard Peters



Bryan Chadwick, MPA Town Manager

Laura Oxley, JD, MPA Town Clerk

Board of Aldermen Special Meeting Minutes Thursday, October 17th, 2019

Present: Mayor Tuman; Mayor Pro Tem McDermon; Aldermen Benson, Heid, Leonard and Peters; Town Manager Chadwick; Town Clerk Oxley; Town-Appointed Coastal Engineer Fran Way

#### I. Call to Order

Mayor Tuman called the Meeting to order at 10:33 AM.

# II. Approval of Agenda

Alderman Leonard made a motion to approve the agenda with reordering (reflected in the Minutes) to accommodate the Town Manager. Alderman Benson seconded and added that an open forum should also be added at the beginning of the Meeting.

Alderman Leonard asked the Town Clerk, as a point of order, if an open forum can be added the Agenda. The Clerk stated that it is permissible. Mayor Pro Tem McDermon seconded the new motion. The motion passed unanimously, 5-0.

#### III. Open Forum- 3 minute limit

Mr. Dean Holderman has owned property in North Topsail Beach for 37 years. He worries about rules and regulations that the Town seemingly does not enforce. Some of the examples he provided: not properly protecting sandbags and dogs on the beach without leashes. He asked that the Board consider these issues.

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<sup>\*</sup>There are attachments to the Minutes.

Mr. Bill McGlaughlin reported that after the last storm, he lost sandbags in front of his house. There isn't any Town maintenance of sandbags to his knowledge. Alderman Leonard asked Alderman Benson to address those concerns. Alderman Benson stated that the Revetment Committee approved an engineer over a year ago. This engineer stopped responding to requests from the Committee to formalize the agreement. The Committee is now working to obtain a new engineer, who will be tasked with addressing concerns like those mentioned by this citizen.

Mr. Jack Gallagher would like for the Board to address the work plans for Phase 5, specifically the time frames and proposed dune dimensions. Mr. Fran Way responded that the "Hurricane Matthew" project will begin soon. Mr. Chris Gibson is managing that work. Mr. Way doesn't know the exact dimensions, but the dune system will be larger than the berm push after Hurricane Florence.

# IV. ATM Engineering Update---Terminal Groin, Hurricane Florence Repairs, Phase proposal

Mr. Fran Way, coastal engineer for the Town, opened the meeting with a broad overview and update. He first spoke to the terminal groin project. He reported that he met with the Army Corps of Engineers, Town staff and officials. Beach nourishment is expensive and one of the many positive outcomes of a groin is that the Town will save money over time and hopefully remove the sandbags. Also, based on the downdrift analysis, Mr. Fran Way's firm believes sand is being pulled into the inlet, which will further complicate navigation.

As for Phase 5, the truck haul will start this winter. Category g restoration is scheduled for winter 2021. For Phases 1-4, the plan is to conduct a dune restoration in winter 2021. He reminded the Board that there is no federal funding for CBRA areas. The exception is emergency dune repair. He is also looking at state funding.

Alderman Benson stated an interest in using the \$1.6 million from the state (aka "Resource Institute Money") and 50/50 matching funds that total \$1.5 to 2 million to obtain relief for Phases 2-4. He asked Mr. Way if the funding was resolved, could the project itself be completed this season? Mr. Way responded that it is a good goal, but he must also work with CAMA and the Army Corps of Engineers to modify the permitting. He cannot give a definitive answer, but he would be willing to pursue that goal if so directed.

The Board discussed financing options, especially the Town's options for a hardened structure. The discussion related to state law preventing certain

types of financing, alternatives to advert those constraints and possible selffinancing.

The Board then discussed the timing for the hardened structure permit. Some members of the Board believe the permit could be granted within one year. Other members of the Board believe it will take longer. The consensus was that the project was important, and the Board must be diligent in its planning to ensure an expedient solution.

#### V. TISPC at Large Member

Alderman Leonard made a motion to nominate Ms. Susan Meyer to fill the Town's vacancy on the Topsail Island Shoreline Protection Commission. Alderman Benson seconded the Motion.

Mayor Pro Tem McDermon nominated Mr. Richard Grant for the vacancy. Alderman Peters seconded the Motion.

Alderman Leonard made a motion to close the nomination period. Alderman Heid seconded. The Motion passed unanimously, 5-0.

Mayor Tuman asked the Clerk to poll the Board. The Aldermen cast the following votes:

- Alderman Heid voted for Ms. Susan Meyer.
- Alderman Leonard voted for Ms. Susan Meyer.
- Mayor Pro Tem McDermon voted for Mr. Richard Grant.
- Alderman Benson voted for Ms. Susan Meyer.
- Alderman Peters voted for Mr. Richard Grant.

Ms. Susan Myer was voted to fill the vacancy, 3-2.

Alderman Leonard made a motion to take a recess. Mayor Pro Tem McDermon seconded. The Motion passed unanimously, 5-0.

## VI. Beach Projects Overview Chart- Presentation & Discussion

Town Manager presented a chart that outlines the beach nourishment plans for each phase of the Town's beach. It is attached.

Specifically, Manager Chadwick reported on Phases 2-4: the goal is to extend the Hurricane Matthew Project this spring by applying the \$1.6 million from the state "Resource Institute Money."

Mayor Pro Tem McDermon made a motion to apply the referenced \$1.6 million for a Phase 2-4 truck haul and to approve moving forward with grant applications for Storm Damage Mitigation Fund. Alderman Leonard seconded. The Motion passed unanimously, 5-0.

Phases 2-4 are heavily reported on the CBRS map. If a storm took away from a nourishment project, the Town would not receive FEMA help in reestablishing the beach. The Mayor reminded the Board and audience that this is why it is important to continue efforts to alleviate the impacts of CBRA. The elected officials then spoke to the efforts currently underway to achieve these goals, such as a position paper to the National Audubon Society and legislative bills in Congress.

#### VII. Revenue Outlook for Fund 30- Presentation & Discussion

The Board discussed the procedure for calculating the figures reported in the financial forecasting documents. Some board members expressed concern that requests from the Board should come from the Board as a whole and go directly to the Town Manager when there is a consensus.

The Town Manager explained that the forecast was created with an anticipated decrease in accommodation tax revenue due to the damage from Hurricane Florence. The Mayor expressed a concern that the financial snapshot was not accurate. He would like to see a snapshot that addresses Fund 30. The Board provided guidance on how the Town Manager can reconstruct the snapshot.

Alderman Leonard made a motion to authorize the Town Manager to explore and make a draft plan (qualifications, salary, etc.) for a shoreline protection officer. Mayor Pro Tem McDermon seconded. The Motion passed unanimously, 5-0.

The Board advised that it would be advantageous to seek financial services for the many beach nourishment plans. The "Carter Brothers" were recommended.

## VIII. Town Manager's Beach Working Group- Presentation & Discussion

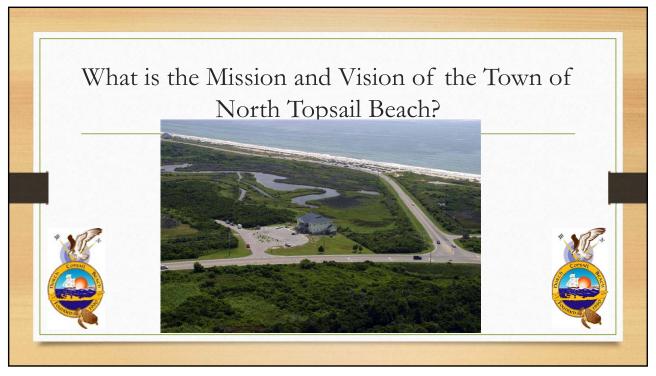
Alderman Leonard stated that the working group formed after the Board's retreat. The working group hasn't met since August. He recommends disbanding. He recommended that the efforts continue, just with reconsideration of how the work is being organized and completed.

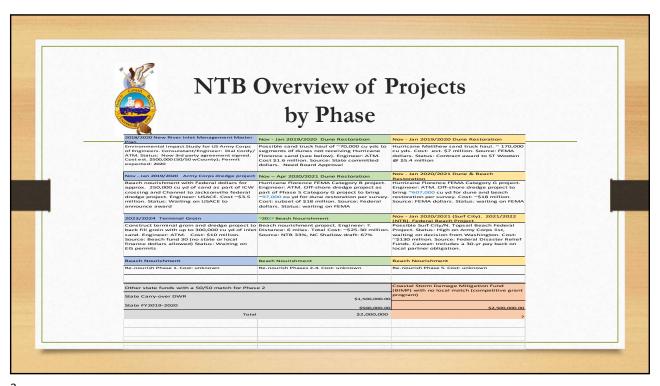
#### IX. Adjournment

Alderman Leonard made a motion Motion passed unanimously, 5-0.	to adjourn. Alderman Heid seconded. The
	Daniel Tuman Mayor
	ATTEST:
	Laura Oxley, JD, MPA Town Clerk

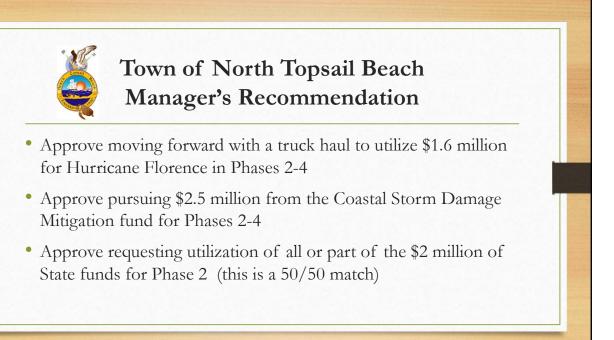
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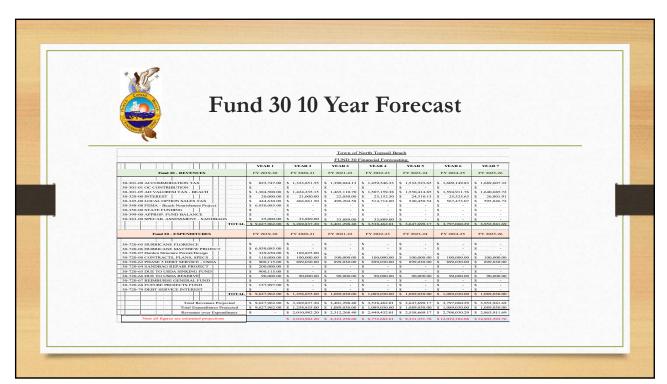
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# Town of North Topsail Beach Manager's Recommendation

- Create a new "shoreline protection officer" position
  - Many projects in the coming years
  - Modeled after the Carteret County position
  - Works directly with the Coastal Engineer
  - · Keeps consistency with turnover of personnel
  - Could possibly be a partnership between the other island towns
- If not a shoreline protection officer, create a formal shoreline protection committee.
- Or a combination of both

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# Town of North Topsail Beach Manager's Recommendations

- We've contacted the Local Government Commission to come and discuss with the Town any information relating to financing and funding beach projects
- Contract with DEC Associates (Doug and Andrew Carter) to do a "diagnostic" of our finances and financing capabilities

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## Town of North Topsail Beach

Shoreline Protection: Overview of Projects by Phase

Phase 5

Phases 2-4

Phase 1

2018/2020 New River Inlet Management Master Plan	Nov - Jan 2019/2020 Dune Restoration	Nov - Jan 2019/2020 Dune Restoration			
Environmental Impact Study for US Army Corps of Engineers. Consulatant/Engineer: Dial Cordy/ ATM. Status: Now 3rd party agreement signed. Cost est. \$500,000 (50/50 wCounty); Permit expected: 2020	Possible sand truck haul of ~70,000 cu yds to segments of dunes not receiving Hurricane Florence sand (see below). Engineer: ATM. Cost \$1.6 million. Source: State committed dollars. Need Board Approval	Hurricane Matthew sand truck haul. ~ 170,000 cu yds. Cost: est. \$7 million. Source: FEMA dollars. Status: Contract award to ST Wooten @ \$5.4 million			
Nov - Jan 2019/2020 Army Corps dredge project	Nov – Apr 2020/2021 Dune Restoration	Nov - Jan 2020/2021 Dune & Beach Restoration			
Beach nourishment with Federal dollars for approx. 250,000 cu yd of sand as part of ICW crossing and Channel to Jacksonville federal dredge project. Engineer: USACE. Cost ~\$3.5 million. Status: revised easements needed, otherwise Town has fulfilled obligations.	Hurricane Florence FEMA Category B project. Engineer: ATM. Off-shore dredge project as part of Phase 5 Category G project to bring ~97,000 cu yd for dune restoration per survey. Cost: subset of \$18 million. Source: Federal dollars. Status: waiting on FEMA	Hurricane Florence FEMA Category G project. Engineer: ATM. Off-shore dredge project to bring ~607,000 cu yd for dune and beach restoration per survey. Cost: ~\$18 million. Source: FEMA dollars. Status: waiting on FEMA			
2023/2024 Terminal Groin	~2027 Beach Nourishment	Nov - Jan 2020/2021 (Surf City). 2021/2022 (NTB). Federal Beach Project			
Construct terminal groin and dredge project to back fill groin with up to 300,000 cu yd of inlet sand. Engineer: ATM. Cost: \$10 million. Source: Beach fund 30 (no state or local finance dollars allowed) Status: Waiting on EIS permits	Beach nourishment project. Engineer: ?. Distance: 6 miles. Total Cost: ~\$25-30 million. Source: NTB 33%, NC Shallow draft: 67%	Possible Surf City/N. Topsail Beach Federal Project. Status: High on Army Corps list, waiting on decision from Washington. Cost: ~\$130 million. Source: Federal Disaster Relief Funds. Caveat: Includes a 30-yr pay back on local partner obligation.			
Beach Nourishment	Beach Nourishment	Beach Nourishment			
Re-nourish Phase 1. Cost: unknown	Re-nourish Phases 2-4. Cost: unknown	Re-nourish Phase 5. Cost: unknown			
Other state funds with a 50/50 match for Phase	Coastal Storm Damage Mitigation Fund (BIMP) with no local match (competitive grant				
State Carry-over DWR	\$1,500,000.00	program)			
State FY2019-2020	\$500,000.00	\$2,500,000.00			
Tota	\$2,000,000	?			

#### Town of North Topsail Beach

#### FUND 30 Financial Forecasting

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	Averages
											Est.Growth Rate based off trend
Fund 30 - REVENUES	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	history
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30-301-00 ACCOMMODATION TAX	\$ 823,747.00	\$ 1,323,851.55	\$ 1,390,044.13	\$ 1,459,546.33	\$ 1,532,523.65	\$ 1,609,149.83	\$ 1,689,607.32	\$ 1,774,087.69	\$ 1,862,792.08	\$ 1,955,931.68	5.00%
30-301-01 OC CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
30-301-05 AD VALOREM TAX - BEACH	\$ 1,384,500.00	\$ 1,439,880.00	\$ 1,497,475.20	\$ 1,557,374.21	\$ 1,619,669.18	\$ 1,684,455.94	\$ 1,751,834.18	\$ 1,821,907.55	\$ 1,894,783.85	\$ 1,970,575.20	4.00% (Avg 2.87%)
30-329-00 INTEREST	\$ 20,000.00	\$ 20,800.00	\$ 21,840.00	\$ 22,932.00	\$ 24,078.60	\$ 25,282.53	\$ 26,546.66	\$ 27,873.99			4.00%
30-345-00 LOCAL OPTION SALES TAX	\$ 444,630.00	\$ 462,415.20	\$ 485,535.96	\$ 509,812.76	\$ 535,303.40	\$ 562,068.57	\$ 590,171.99	\$ 619,680.59	\$ 650,664.62	\$ 683,197.85	4.00% (Avg 2 to 3%)
30-348-08 FEMA - Beach Nourishment Project	\$ 6,930,085.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
30-350-00 STATE FUNDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Í
30-399-00 APPROP. FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
30-383-00 SPECAIL ASSESSMENT - SANDBAGS	\$ 25,000.00	\$ 33,889.00	\$ 33,889.00	\$ 33,889.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	j
TOTAL	\$ 9,627,962.00	\$ 3,280,835.75	\$ 3,428,784.29	\$ 3,583,554.30	\$ 3,711,574.82	\$ 3,880,956.87	\$ 4,058,160.16	\$ 4,243,549.82	\$ 4,437,508.24	\$ 4,640,435.81	į
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Fund 30 - EXPENDITURES	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
											İ
30-720-05 HURRICANE FLORENCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
30-720-06 HURRICANE MATTHEW PROJECT	\$ 6,930,085.00		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
30-720-07 Harden Structure Permit/Design	\$ 339,650.00	\$ 169,825.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
30-720-08 CONTRACTS, PLANS, SPECS	\$ 110,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00		İ
30-720-62 PHASE 5 DEBT SERVICE - USDA	\$ 900,115.00	\$ 899,030.00	\$ 899,030.00	\$ 899,030.00	\$ 899,030.00	\$ 899,030.00	\$ 899,030.00	\$ 899,030.00	\$ 899,030.00	,	İ
30-720-64 SANDBAG REPAIR PROJECT	\$ 200,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
30-720-65 DUE TO USDA SINKING FUND	\$ 900,115.00	•	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
30-720-66 DUE TO USDA RESERVE	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00		İ
30-720-67 REIMBURSE GENERAL FUND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
30-720-68 FUTURE PROJECTS FUND	\$ 157,997.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
30-720-70 DEBT SERVICE INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	İ
TOTAL	\$ 9,627,962.00	\$ 1,258,855.00	\$ 1,089,030.00	\$ 1,089,030.00	\$ 1,089,030.00	\$ 1,089,030.00	\$ 1,089,030.00	\$ 1,089,030.00	\$ 1,089,030.00	\$ 1,089,030.00	İ
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Total Revenues Projected	\$ 9,627,962.00	\$ 3,280,835.75		. , ,		\$ 3,880,956.87	\$ 4,058,160.16		\$ 4,437,508.24		ĺ
Total Expenditures Projected	\$ 9,627,962.00	, , , ,	, ,,	\$ 1,089,030.00	, ,,	\$ 1,089,030.00	, ,,	, ,,	\$ 1,089,030.00	, , , , , , , , , , , , , , , , , , , ,	
Revenues over Expenditures	\$ -	\$ 2,021,980.75	\$ 2,339,754.29	\$ 2,494,524.30	\$ 2,622,544.82	\$ 2,791,926.87	\$ 2,969,130.16	\$ 3,154,519.82	\$ 3,348,478.24	\$ 3,551,405.81	j
Note all figures are estimated projections		\$ 2,021,980.75	\$ 4,361,735.04	\$ 6,856,259.34	\$ 9,478,804.16	\$12,270,731.03	\$ 15,239,861.19	\$ 18,394,381.01	\$ 21,742,859.25	\$ 25,294,265.06	