

Town of North Topsail Beach

Daniel Tuman, Mayor
Michael Yawn, Mayor Pro Tem
Aldermen:
Richard Farley
Deborah Lanci
Dick Macartney
Robert Swantek



Steven H. Foster
Town Manager

Carin Z. Faulkner, MPA
Town Clerk

North Topsail Beach Shoreline Protection Committee Special Meeting Friday, April 16, 2010 9:00 A.M

PRESENT: Chairman/Alderman Dick Macartney, Mayor Daniel Tuman, Mayor Pro Tem Michael Yawn, Aldermen Robert Swantek and Deborah Lanci, Town Manager Steve Foster and Town Clerk Carin Faulkner.

ALSO PRESENT: Ken Willson, Coastal Planning & Engineering

- I. **CALL TO ORDER:** Chairman Dick Macartney called the meeting to order at 9:00 a.m. in the North Topsail Beach meeting room.
- II. **APPROVAL OF AGENDA:**
 - Mayor Pro Tem Yawn made a motion to approve the agenda as presented.
 - Mayor Tuman asked for clarification on the procedures by which the committee operates and that was added as Item III. A.
 - Alderman Lanci seconded the amended motion.
 - The agenda was approved unanimously.
- III. **APPROVAL OF MINUTES FROM FEBRUARY 12, 2010:**
 - Mayor Pro Tem Yawn made a motion to approve the minutes of February 12, 2010. Alderman Lanci seconded the motion.
 - The motion passed unanimously.

A. There was discussion on the procedures of the committee. Chairman Macartney read the portion of the February 12 minutes which indicate what the committee agreed to as the procedures. The committee has no authority, only the Board of Aldermen has authority. The committee will come to a consensus to add items to the BOA agenda.
- IV. **TIME LINE ON PROJECT DEVELOPMENT:**
 - Mr. Foster presented a preliminary proposed timeline for Phase One of the project.
 - He explained that some of the items on the timeline have “hard dates” such as the Town needs to work with the Local Government Commission in August to work on the procurement of debt and there is a hard deadline if the Town wants to use a regular election date for a referendum. He said the other hard date is the construction start of November 2011.

- He said the easements need to be factored into the timeline and can be started at any time. It took Emerald Isle about a year to get approximately 1,100 easements and only 11 refused to sign.
- There was discussion and questions about the time line.

V. **REPORT ON EXTERNAL FUNDING SOURCES:**

- Discussion on this item takes place in Item VIII.

VI. **STRATEGIES FOR OBTAINING EXTERNAL FUNDING:**

- Discussion on this item takes place after the recess in Item VIII.

VII. **DEBT FINANCING:**

- Discussion on this item takes place in Item VIII.

VIII. **LOCAL FUNDING OPTIONS:**

- Mr. Willson presented a financing plan to the committee. He said that the issues of financing are not new or unique to NTB.
- He said that he did not include contributions from the Federal government.
- His plan showed the annual cost over four years for ocean front and non ocean front owners.
- There was discussion on estimated cost of the project. Mr. Willson had it at \$7 million. He said estimates that were provided to the BEST Team were \$5.8 million based on Bald Head Island and Wrightsville Beach and that number has been inflated. Mayor Pro Tem Yawn indicated that \$10 million was what was agreed to at the last meeting.
- Mr. Willson included a 25% contribution by the State. He said that the State will not give any money until NTB has a plan on how much the Town will be contributing to its own project (from the Beach Nourishment Fund & taxpayers).
- There was discussion on how the Town is reimbursed by the State.
- There was discussion on County contribution to the project. Mayor Tuman said that he and Mr. Foster will be meeting with the County Manager about the resolution that was passed by the board to receive NTB occupancy taxes in full.
- Mr. Willson's plan split the costs between ocean front property owners and non-oceanfront property owners 80% to 20%. His information came from the most recent County GIS. There are 932 oceanfront properties in Phase One. There are 506 non-oceanfront properties. The total assessment cost per property owner is \$2,790 oceanfront and \$1,285 for non-oceanfront. Divided by 4 to spread out over 4 years (the amount of time the sand is supposed to last on the beach) the amount is \$697 for oceanfront and \$321 for non-oceanfront. He did the numbers based on a 5 percent interest rate starting in year two and that ended up being \$751 for oceanfront and \$326 for non-oceanfront.
- Mr. Willson indicated that this plan can be worked with to take out or include the County contribution and play with the project total. He said that his plan would be good to use to gain favor for a referendum.
- Chairman Macartney summarized the points that the committee agrees on:

- The committee is in favor of phases and doing each phase one at a time starting with Phase One.
- The committee agrees that not all of the Beach Nourishment Fund will go to Phase One. The working assumption is that \$1.5 million will go to Phase One.
- There was a discussion on funding for all of the phases. Mr. Willson said that he thinks this plan will work for all phases.
- Alderman Lanci said that when there are two phases going at once that the mobilization cost will be less.
- There was discussion on getting in-kind funding from the Army Corps of Engineers for sand disposal costs.
- There was discussion on borrowing money and how the Town is going to borrow money. Mayor Tuman indicated that the Town will have to discuss it with the LGC and see what our options are.
- Chairman Macartney spoke about Mr. Pace's spreadsheet which will give each individual property owner the amount they would need to pay to fund the project. He proposed that the committee have public meetings.
- Mr. Willson and Alderman Farley agreed that if the citizens are not willing to pay for the project then the Town is wasting its time. Mr. Willson said that there needs to be equitable distribution of who is going to pay for it.
- There was discussion on getting the word out to the citizens from now until November.
- There was discussion on doing a survey.
- The committee came to a consensus on doing a one hour program for the public. The committee should know where they are by July. There will be a letter notifying citizens. There will be a survey.

Mayor Pro Tem Yawn made a motion to recess the meeting to open the Board of Aldermen meeting that was scheduled after this meeting. Alderman Lanci seconded the motion. The vote was unanimous. The meeting recessed at 10:15 a.m.

Chairman Macartney called the meeting back to order at 10:48 a.m.

- There was discussion about putting the letter as an item on the May BOA meeting agenda. Chairman Macartney said that there will be a draft.
- Mayor Pro Tem Yawn said that he wanted to make sure that the Town does a scientific survey. He wants there to be a way to have a unique identifier for each respondent so that there is not more than one survey filled out per property owner.
- Mr. Foster said that he would be done with the Division of Water Resources application in the next week or so.
- Alderman Swantek said that BIMP is in the air right now. Mr. Foster said that the lobby portion of this is extremely important.
- There was discussion about using Mr. Pace's database for the community meetings.

- Mayor Pro Tem Yawn said that he would like to determine the methodology to allocate beach nourishment fund and anticipated occupancy taxes. He thinks the Town should allocate 1/5 for each phase of the project or take the number of properties in each district and divide it by the total number of properties. Mr. Swantek suggested that the town use that method and there was consensus on that. Alderman Macartney did a quick calculation and stated that meant phase 1 would get about \$1.3M.
- There was discussion about how to split the funds and whether the upfront costs for the project should be included.

IX. **DISCUSSION OF RECALCULATING PROJECT COST FIGURES:**

- The Board did not discuss this item.

X. **SUMMARY**

- There was no summary at the end of this meeting.

XI. **ADJOURNMENT:** Alderman Farley made a motion to adjourn. Alderman Swantek seconded the motion. The motion passed unanimously. The meeting adjourned at 11:05 a.m.

APPROVED:

Dick Macartney, Chairman

ATTEST:

Carin Z. Faulkner, Town Clerk

Approved on: 6/30/2010