

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, February 12, 2010 9:00 A.M.

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

- I. **CALL TO ORDER:** Alderman Macartney called the meeting to order at 9:05 a.m. in the North Topsail Beach meeting room.
- II. **APPROVAL OF AGENDA:**
 - Alderman Macartney asked for additional topics.
 - Mayor Pro Tem Yawn said he would like to discuss other hurdles or “due diligence” items besides financing. He also wanted to make the beach tour optional and move “Discussion and Possible Action on Condition of Beach” before the tour.
 - Mr. Foster said that the tour would need to begin at 11:30 because of the tide.
- III. **NEW BUSINESS:**
 - A. **Define the Scope of the Committee**
 - a. Rationale and Goals for the committee
 - There was discussion on why the committee was formed as a committee of the Board instead of a citizen committee.
 - Mayor Tuman explained that the tasks that need to be accomplished on shoreline protection are tasks that the Board of Aldermen needs to handle.
 - Mayor Pro Tem Yawn wants to the Board to do its due diligence.
 - Alderman Macartney said that the short term goal of the committee is to work through phase one.
 - b. Rules and Procedures for the committee
 - The Board decided not to work on a charter at this time.
 - i. Who votes and significance of votes taken
 - Alderman Macartney said that what is said in this committee is not binding, but that it will meet in public and will be recorded.

- Alderman Macartney said that the committee does not need to vote or report to the Board of Aldermen, just decide if an item should be on the BOA agenda.
- There were no differences of opinion with Alderman Macartney's statements.

c. Regular Meeting Schedule

- Alderman Macartney said that this committee's mission is a work through of an action plan rather than an ongoing committee. The committee will discuss other meetings in the discussion about its next steps.

B. Define the Issue

a. Does the committee support Beach Nourishment?

- There was discussion on the varying views on the Beach Erosion problem and the related issues:
 - Placement of homes
 - Tourism
 - Threat to the quality of the community
 - Taking of property
 - Terminal groins
 - Government's role in aiding this problem
 - Whether the problem exists
 - Other communities with the same problem
 - Erosion rate over time
 - Trucking in/pushing sand
 - Stability of sand placed on beach

- Alderman Macartney summarized that erosion mitigation is something the committee needs to address.

b. Does the committee accept/support the current CP&E plan of record?

- Alderman Macartney thinks that if put to a vote, it would come out 3 to 2.
- The Town has spent \$2 million on the project so far and is currently in the final leg of it.
- There was discussion on when the Board approved this plan and on whether the Board ever voted on this plan as the "preferred option."
- The Board clearly gave CP&E instruction and a contract to develop an engineering plan. A phased plan was developed.
- Alderman Lanci indicated that this project is the only erosion mitigation solution available unless the State makes changes.
- Mayor Pro Tem Yawn said that the Board has 10 months to do due diligence.
- Alderman Macartney indicated that this committee, with a slim majority is not ready to scuttle the CP&E report at this time, there are a lot of discussions, actions, and study to be done before deciding on phase one.

- Alderman Swantek is in support of looking into trucking in sand every year for 10 years. Mayor Pro Tem Yawn also wanted to look into transporting sand via ship. Mr. Foster agreed to look into it for the Board. There was discussion on quality and quantity of sand and the costs.
- Mayor Pro Tem Yawn said that the Board needs to meet with the Town Attorney regarding easements and liability.
- Alderman Macartney directed the Town Manager to write a letter to Mr. Edes in regards to easements, liability exposures, and other issues.
- There was discussion on the importance of terminal groins, getting Town areas out of the CBRA zone (Town can piggy back that area onto the Federal project if this is accomplished), and BIMP.
- c. Does the committee identify the financial hurdle as a main focus?
 - Alderman Macartney indicated that there are 3 aldermen in support of moving along and to do due diligence.
 - There was discussion on the possibility of property owners opposing the easement part of the project. Mr. Foster said that there have been few property owners who have opposed in other towns.
 - Mr. Foster said that public education is important to explain what it does and what it doesn't do and what the property owners are actually giving up.

C. Define the Financial Parameters

- Alderman Macartney indicated that the Town has received cost estimates as high as \$92 million for the whole project to as low as \$5 million for the first phase.
- Mr. Foster did a presentation for the committee on financing. (Presentation attached)
 - a. Do we endorse Pay as you go?
 - b. Discuss Current Beach Fund Balances
 - c. Would we consider incurring debt?
 - i. Municipal Bonds
 - ii. Installment Loans
 - d. Discuss external financing sources and procedures for pursuing.
 - e. Review internal sources of funds, occupancy tax, sales tax, ad valorem, and designated beach fund tax rates.
 - f. Develop potential funding options
 - g. How do we convince funding sources that we are serious?
- There was discussion on how properties can be assessed (size, area, frontage on the road, etc.).
- Can the Town assess the County property and HOA property?
- Alderman Macartney stressed that if the Town is going to go to the County or other entities for money that the Town has to show that they have a plan for financing a portion of the project.

- Alderman Lanci said that the Town can ask the County to raise the room occupancy tax. She also discussed the possibility of an impact fee, such as charging property owners between rentals for a safety inspection.
- There was discussion on charging for parking. The machines to collect money do not last very long near the beach. A sticker method could possibly work.
- As due diligence the committee needs to find out what the property owners will support.
- Mayor Tuman suggested that the committee determine how much the Town wants to collect internally and externally and the time frame for collecting.
- Alderman Macartney said that the Town can get \$1.5 from the state, \$750,000 in occupancy taxes and have a goal of \$2.5 million from local citizens and that if the County did not come up with half the Town could be happy with a third. He said the Town needs to raise \$2 million a year.
- Alderman Lanci said that with the revaluation, there will be a decrease in the property tax rate; she feels that it is fair to ask oceanfront property owners to contribute 100% of the savings to beach nourishment and non-oceanfront property owners to contribute 50%.
- Mayor Tuman said he thinks that the Town should collect \$3 million from occupancy tax and \$2 million from the State. No bonds, no ad valorem. He said the beach is a State infrastructure and it is available to the state to use.
- Mayor Pro Tem Yawn suggested a toll booth at the bridge; this would have to go through the NC General Assembly and DOT.
- Alderman Macartney said that the committee needs to find out what a majority of the property owners are willing to do, because the Board represents the property owners and should protect their property; he suggested an internet user group to use for surveying.
- Mr. Foster said that the variables on these projects are always changing and that it going to be hard to tell property owners exact numbers.
- The following questions were asked: How much is it going to cost? Who are we going to ask? What will our database look like?
- Mr. Foster described how Topsail Beach was assessed; it was based on oceanfront property and then everyone else. He asked if the Town was getting money from the State for preconstruction costs.
- Alderman Macartney decided as chairman that the committee will have another meeting in two to four weeks, he later decided that an hour of retreat time (March 9) will be used discuss beach nourishment.

Alderman Farley asked to be excused from the meeting (11:48 a.m.).

IV. RECESS FOR LUNCH & BEACH TOUR

- The meeting recessed. Several committee members toured the beach to determine the damage to the beach from recent weather events.
- The meeting reconvened at 1:05 p.m.

V. DISCUSSION AND POSSIBLE ACTION ON CONDITION OF BEACH:

- Alderman Macartney asked the committee if they would direct the staff to start work on pushing sand.
- There were several answers in the affirmative.
- Alderman Macartney asked Mr. Best if the Town should push the whole beach. Mr. Best said that the Town should push but that he did not feel that the whole beach needs a push.
- Mr. McAlister described the areas of the beach that are recommended for pushing. He provided maps.
- There was discussion of using the Beach Fund to finance the push as has been done in the past.
- There was discussion on the timing of the push.
- There was discussion on when to push the north end in conjunction with the Army Corps of Engineers dredging project.
- There was discussion on the Right of Entry letters and if the ones from last year would cover this push.
- Staff was directed to make all preparations for a push short of awarding the contract.

VI. NEW BUSINESS CONTINUED

D. Next Steps

- a. How do we organize the work?
 - i. Role of the Committee
 - ii. Role of the Town Manager
- b. What Questions need to be answered for work to begin.
- c. Other Resources Needed
- d. Decide on next meeting—regular or called.

Alderman Macartney read a list of items that need to be followed up on as a result of this meeting they were as follows:

1. Easements: Letter to our attorney asking him for direction on easement process and comment specifically the steps in that process if the Town does not obtain access to an easement. The letter will also address liability on the Town and Board. Town Manager to contact Mr. Edes.
2. Terminal Groins: These still need researched, not much we can do. Alderman Lanci volunteered to follow up on this. She will attend the CRC meeting which will include this topic and will make a statement at the open forum portion of the meeting on behalf of the town. Discussed doing a resolution. Clerk will check if there was already a resolution on this.
3. CBRA Designation: Nothing to do at this time. Discuss at retreat.
4. Trucking in/shipping in sand: Town Manager will look at getting sand in truck loads or ship loads.
5. Develop a communication model process: Series of meetings to discuss how to raise \$2 million a year on this project. User group. Alderman Yawn will draft a survey spec sheet to get survey companies to bid.

6. Assessment option of financing: Can you assess County property, unbuildable lots, etc.? Town Manger thinks we can.
7. Safety Inspections as revenue: Alderman Lanci will look into this.
8. Impact fee on new construction: We can do it. Town Manager will check to see how this applies to beach nourishment.
9. Bridge tax/toll: Town Manager to ask NCDOT. He is doubtful.
10. Parking meters/parking fees: Possible use of stickers. County may not approve.
11. Asking taxpayers for the discount on their county taxes. This will be part of a survey.
12. State to raise the accommodation taxes for the county and the town to the maximum extent suggested 12%. Mayor Tuman will be meeting with Representative Grady. He will also talk to other communities.
13. Application for State money: Town Manager will contact Dept. of Water Resources.
 - Alderman Swantek suggested a meeting to gather input from citizens and taxpayers at 1 p.m. on April 3rd.
 - Alderman Macartney said that he wants to start a communication with the community and wants to have a public meeting to begin to get the story out that the Town needs money. He said that his will go hand in hand with survey. He wants face to face in conjunction with gathering the data.
 - There was no objection to an open public meeting to be held on Saturday, April 3rd at 1:00 p.m.
 - Alderman Macartney will work on the structure of the meeting.
 - The Town Clerk will get the word out on the CTY and website.

VII. ADJOURNMENT: The meeting adjourned at 1:58 p.m.

APPROVED:

Dick Macartney, Chairman

ATTEST:

Carin Z. Faulkner, Town Clerk

Approved on: 4/16/2010