

MINUTES

DARE COUNTY BOARD OF COMMISSIONERS SPECIAL MEETING

Rodanthe-Waves-Salvo Community Building, Rodanthe, NC

6:00 p.m., January 18, 2023

Commissioners present:

Chairman Robert Woodard, Sr., Vice Chairman Wally Overman

Rob Ross, Steve House, Danny Couch, Ervin Bateman

Commissioners absent:

Jim Tobin - excused

Others present:

County Manager/Attorney, Robert Outten

Deputy County Manager/Finance Director, David Clawson

Master Public Information Officer, Dorothy Hester

Clerk to the Board, Cheryl C. Anby

A full and complete account of the Board of Commissioners meeting is archived on a video that is available for viewing on the Dare County website: www.darenc.gov

At 6:01 p.m. Chairman Woodard called to order the meeting and thanked everyone for coming. In addition to a packed room of more than 100, there were approximately 160 people attending virtually. Chairman invited Commissioner Couch to lead in an invocation, and then he led the Pledge of Allegiance to the flag. Chairman Woodard acknowledged the attendance of Trey Lewis representing U.S. Senator Thom Tillis, and Leslie Ginski on behalf of U.S. Representative Greg Murphy, along with Superintendent Dave Hallac.

RODANTHE EROSION DISCUSSION

County Manager Robert Outten said there would be a three-minute limit for speakers in attendance and those online after the presentation concluded. He began with a detailed history of how the issue of beach nourishment had been discussed in the late 1980's. A tenmile project in Nags Head had been designed by the Corps of Engineers. It was designed for the federal government to pay 70% of the cost, the state 20%, and the county 10%. An occupancy tax had been designed to pay the 10% share for the federal project. No federal appropriation was ever made. Regardless of politics and countless requests, federal funding was not forthcoming.

In the late 1990's, Nags Head and the County worked together to finance a beach nourishment project for Nags Head. The town paid for half and the other fifty percent was paid through the Dare County Beach Nourishment Fund.

Mr. Outten stated that 2% of the 6% occupancy tax was designated for the Beach Nourishment Fund. This tax generated \$14.6 million for fiscal year ending June, 2021, and \$15.7 million the following fiscal year. He cautioned, however, those two years were unusual

growth rates and should not be used for reliable budgeting purposes. He outlined the criteria used for the beach nourishment financial model. It projected the future costs, revenues, and included maintenance over five-year intervals. The policy to best leverage the funds on hand required that the model would also set aside one year's debt service.

Nags Head completed their project a few days before Hurricane Irene hit the area. An inspection of the beach after the storm evidenced the beach nourishment project did what it was intended to do. It protected the infrastructure and homes in the area. The other towns created special service districts to benefit and fund their future beach nourishment projects.

Mr. Outten moved forward with a discussion of Rodanthe's current situation. Before the completion of the bridge, NCDOT protected the roads, which in turn, helped the oceanside. Now Rodanthe was not protected by DOT road work. He provided a scenario for a Rodanthe project that would be approximately 2.25 miles (roughly the same size project completed in Avon and Buxton). The last engineer study was in 2013, and a new study was being done. A new study would provide information to compute the cubic yards of sand needed to better estimate a project. The 2013 study indicated the cost would be approximately \$20 million. With the passage of ten years, price increases, and an increased erosion rate, it would obviously cost more today. There was currently \$6 million dollars available for a new beach project. Based upon the model, Dare County would need \$30 million dollars of new money plus the \$6 million for a new project. The fund would not grow fast enough and a special service district established in Rodanthe would not make up the difference. Another source of funds, either state or federal would be necessary. There were currently no appropriations of federal funds for nourishment projects. There were Department of the Interior funds and Superintendent Dave Hallac had some requests in for funding projects. He was, however, competing with funds needed by every other national park in the country. Mr. Outten stated he and Chairman Woodard had discussed nourishment issues with the coastal legislative delegation today in Currituck. We need a recurring North Carolina fund for nourishment projects. He urged the audience to contact their state legislature to help.

Dare County did not have money to support a project. If there were funds available, Mr. Outten explained there would have to be consideration to the priority of <u>all</u> beach projects, such as the Canal Zone, Rodanthe and Isabel Inlet. All of those locations were currently experiencing high risk erosion rates. Dare would like DOT to take responsibility for the Canal Zone and Isabel Inlet issues so Dare could make Rodanthe a priority. He praised the continued efforts of DOT; but reminded the group that DOT had limited resources and typically acted when a road was lost.

Mr. Outten summarized and provided answers to many questions submitted in advance of the meeting. (See video for full responses).

He reiterated that North Carolina did not give authority to use any of the alternative methods to protect the oceanfront. Only nourishment or temporary sandbags were currently permitted. Discussions were needed now to authorize other "tools" to combat ocean erosion.

Mr. Outten explained possible next steps. After the study was completed, it would help determine a more accurate price tag on any Rodanthe project. Once a cost was determined, it would be possible to pursue state and federal funding.

One question concerned sound side erosion. Mr. Outten explained Dare County had no plans for the sound side, but reminded the group the sound side owners had numerous options available to them such as bulkheads, not permitted on the oceanside.

At 6:67 p.m. the Manager invited public comments. A summary follows: **PUBLIC COMMENTS**

- 1. Peter Shepherd asked if the \$6 million currently in the county's fund could be used for a buyout program and Mr. Outten responded that it could not per state statute.
- 2. Kyle Banniak said it was a Hatteras Island issue. Ocean over wash will come to the jug handle circle and will close the road. It was important to explore all funding options.
- Kathleen Kosman asked if any smaller projects could be done at Ocean Drive and Corbina such as sand bags or dune backup. Mr. Outten offered to look into smaller projects with NCDOT.
- 4. Amy Cramer stated the issue impacted everyone, including Outer Banks tourism, especially when national and local media groups report on the erosion Rodanthe.
- 5. Jett Ferebee stated it was a federal issue and should have a federal solution. He proposed that when the entire national seashore in front of Rodanthe was lost, it was an impairment of the national park system. He added Rodanthe did not have enough representation and needed federal help in order to save Rodanthe.
- Matt King questioned the model and asked if the County would consider a potential working group of homeowners, NCDOT, and park officials to try to create a different model that would work for the villages.

Chairman Woodard addressed an earlier comment regarding Hatteras representation. Commissioner Danny Couch worked hard for the area and the Board had gone to DC numerous times without success for funding. Dave Hallac commented that it was true there were "lots of pots available" but there were also 424 national parks in the system competing for the same funds. He stated it was unlikely the park service would allocate funds for beach nourishment for several reasons. They had asked for funds for NC12 hot spots such as the Canal Zone and Pea Island Visitor Center (two of seven hot spots) to aid with transportation solutions. He acknowledged the need but added beach nourishment was a short-term solution compared to other projects that would solve issues for a longer term.

Mr. Outten opened the floor to those with online questions. The deficiency in ban width, however, prevented clear communication. Mr. Outten apologized and explained their questions and County answers would be added to the website if emailed to the County. He returned to anyone with in-person questions or comments.

Matt Story stated three homes were lost in 2022 and they were all on Ocean Drive. The beach was still not clean and presented an immense safety issue.

Jett Ferebee stated it was a federal beach with a federal problem. He stated the park service, the largest landowner in Dare County, paid \$60,000 a year in lieu of taxes.

Ann Cramer asked Dave Hallac where Rodanthe was in the list of priorities. He replied Rodanthe was one of the hot spots, but explained threatened homes were not part of the task force conversation. It was safety and transportation. Mr. Hallac said the beach was eroding fast everywhere. In Rodanthe, where homes intersected with the ocean, it was bad. They were focused on maintaining sustainable transportation solutions as a priority.

John Kuster suggested an increase in the tourism tax. Mr. Outten explained the legislature behind the occupancy tax in North Carolina and how it is imposed on those who rent hotel and vacation residences. All 100 counties have that authority with a six-cent cap. The Tourism lobbyists were adamantly opposed to any increase and they had a lot of influence in the legislature. As one of the top four tourist destinations in the state, Dare did well with collected occupancy and sales taxes. With an area that grows to over 300,000 each summer, those funds were needed for services and could not be risked for reduction.

Rick Chapman asked Dave Hallac about sustainable transportation solutions and wanted the Rodanthe traffic removed. Mr. Outten responded that it was part of a NCDOT project and did not involve the park service.

At 7:49 p.m. Chairman Woodard thanked the civic center for the refreshments and the use of their building for the meeting. In closing comments, he reminded the group the Board cared about what was happening and would continue to do everything to find solutions.

At 7:51 p.m., the meeting adjourned with the Board scheduled to have their regular meeting on February 6, 2023, at 9:00 a.m.

Respectfully submitted,

By: _

Cheryl C. Anby, Clerk to the Board

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Robert Woodard, Sr., Chairman
Dare County Board of Commissioners

Note: Copies of supporting material are on file in the office of the Clerk. Attempts have been made to accurately reflect the spelling of each name as spoken at the podium or based on the legibility of the sign-in sheet.

APPROVED: