



COUNCIL WORKSHOP  
JANUARY 19, 2021

**JANUARY 19, 2021 MINUTES:** Council Workshop

**LOCATION:** 5377 N Virginia Dare Trail, Southern Shores, NC 27949

**COUNCIL MEMBERS PRESENT:** Mayor Bennett, Mayor pro tem Elizabeth Morey, and Council Members Jim Conners, Leo Holland, and Matt Neal

**COUNCIL MEMBERS PARTICIPATING ELECTRONICALLY:** None

**OTHERS PRESENT:** Town Manager Cliff Ogburn, Finance Officer Bonnie Swain, Deputy Town Manager/Planning Director Wes Haskett, and Town Clerk Sheila Kane.

**CALL TO ORDER / PLEDGE OF ALLEGIANCE / MOMENT OF SILENCE**

Mayor Bennett called the meeting to order at 9:00 A.M., led the Pledge of Allegiance, and held a moment of silence.

**ADOPTION OF AGENDA**

Councilman Holland moved to approve the agenda as presented. The motion was seconded by Councilman Conners. The motion passed unanimously (5-0).

**PUBLIC COMMENT**

Mayor Bennett called for comment, and the following citizen provided public comment:

Dave Mackey-via email-218 Ocean Blvd- taxing oceanfront and oceanside property owners disproportionately more for beach nourishment based on the assumption they benefit more from the project. This approach is ill-conceived.

**Beach Nourishment/ Ken Willson & MSD Boundaries**

The agenda summary sheet read, at its December 1, 2020, Council meeting staff presented to Town Council the process of establishing one or more Municipal Service Districts to generate revenue to fund the 2022 beach nourishment project. With funding from the Dare County Beach Nourishment Occupancy Fund becoming more certain and following the presentation from Coastal Planning and Engineering, the Town Council may wish to start the process of establishing the district(s) or further discuss the options available for implementation.

If the Town Council would prefer to start the process at their February 2 Council meeting, then the timeline for implementation would generally be as follows:

- February 2 – Council directs staff to prepare the report and schedules a public hearing. Before the public hearing required by North Carolina General Statute the Town Council shall cause to be prepared a report containing:
  - o (1) A map of the proposed district, showing its proposed boundaries.
  - o (2) A statement showing that the proposed district meets the standards set out in the NCGS.
  - o (3) A plan for providing in the district one or more of the services listed in G.S. 160A-536.

The report shall be available for public inspection in the office of the Town Clerk.

- February 2021 - Publish Public Hearing Notice. The notice shall be published at least once not less than one week before the date of the hearing and mailed to all owners within the proposed district(s) at least four weeks before the date of the public hearing.
- \*March 16, 2021, or no earlier than 4 weeks after the report has been filed with the Town Clerk, published, and mailed the public hearing is held. No ordinance defining a service district shall be finally adopted until it has been passed at two meetings of the Town Council by a majority vote of the voting members present, and no service district shall be defined except by ordinance. Council may take its first vote on the ordinance at this meeting. \*Staff recognizes that this is typically a 9:00 am meeting and that a different day and time might be more desirable to accommodate as many property owners affected by the ordinance as possible.
- No later than 5 days after the Public Hearing - An owner of a tract or parcel of land located within the proposed district may, at the public hearing or no later than five days after the date of the public hearing submit a written request to the Town Council for the exclusion of the tract or parcel from the proposed district. The owner shall specify the tract or parcel, state with particularity the reasons why the tract or parcel is not in need of the services, facilities, or functions of the proposed district to a demonstrably greater extent than the remainder of the Town, and provide any other additional information the owner deems relevant. If the Town Council finds that the tract or parcel is not in need of the services, facilities, or functions of the proposed district to a demonstrably greater extent than the remainder of the Town, the Town Council may exclude the tract or parcel from the proposed district.
- April 13, 2021 – First vote to establish required ordinance if no vote is taken at the March 16 meeting.
- May 4, 2021, Council takes second vote.
- Tax rate would be established with adoption of FY 2021/22 budget
- Effective Date – July 1, 2021

Staff recommends that Town Council consider options for drawing the boundary lines for each district. Three options for the Council's consideration are provided. The Council may create other options for creating the MSD(s). In each of the options described below the rate for all properties town-wide for beach nourishment would be 1.96 cents or \$98 a year for a property valued at \$500,000. Each option also assumes that the MSD(s) would generate 75% (40% MSD 1 and 35% MSD 2) of the revenue and the town-wide portion would make up 25% of the revenue necessary to pay the debt service.

Town Manager Ogburn stated there is no action at this time that Town Council needs to take. However, staff appreciates any feedback and discussion to generate a consensus among Council members to establish the districts.

Ken Willson with North Carolina Coastal Planning and Engineering presented the Council the results of the 2020 Beach Monitoring Report as well as a briefing on the status of the permitting and design for the 2022 nourishment project. His report highlights consisted of the following:

Background:

- December 2017 –Initial Town-wide beach profile survey conducted
- March 2018 –Initial Beach Assessment provided
- December 2018 –Vulnerability Analysis and Beach Management Plan provided
- May 2019 –Second Town-wide beach profile survey conducted
- September 2019 –Updated volumes and recommendations from the 2018 Plan (2019 Beach Assessment)
- Dec. 2019 –Jan. 2020: Town requested an update of project goals and development of additional alternatives to include entire Town.
- Project Goals:
  - 1.Provides a reasonable level of storm damage reduction to public and private development
  - 2.Mitigates long-term erosion that could threaten public and private development, recreational opportunities, and biological resources
  - 3.Maintains a healthy beach that provides sufficient useable beach and supports valuable shorebird and sea turtle nesting habitat
- June 2020 –Third Town-wide beach profile survey conducted
- July 2020 –Town Authorized CPE to conduct permitting and design of the proposed beach nourishment project

Shoreline / Volume Change:

- Three (3) Sections Referenced:
  - North Section –North Town boundary to 3rdAve.
  - Central Section –3rdAve. to approx. 400 ft. south of Chicahawk Trl.
  - South Section –Approx. 400 ft. south of Chicahawk Trl. to southern Town boundary
- Town Wide –Changes between Dec. 2017 and June 2020
- Central and South Sections –Changes between Oct. 2006 to June 2020
- From 9thAve. to Northern Town Boundary –Changes between Sept. 2013 and June 2020

Shoreline Change (Update):

- North Section:
  - Average shoreline change rate of -2.3 ft./yr. between Dec. 2017 and June 2020
  - Average shoreline change rate of -1.3 ft./yr. between Sept. 2013 and June 2020 (6.75 years) along the northern 2,000 feet of Town (Area north of 9thAve.)
- Central Section –Average shoreline change rate of -2.3 ft./yr(Dec. 2017 to June 2020) and -1.3 ft./yr(Oct. 2006 to June 2020)
- South Sections –Average shoreline change rate of -10.8 ft./yr(Dec. 2017 to June 2020) and -1.1 ft./yr(Oct. 2006 to June 2020) Note: Includes beach nourishment



Volume Change (Update):

•North Section:

- Average volume change rate of +6.1 cy/ft./yr. between Dec. 2017 and June 2020
- Average volume change rate of -0.2 cy/ft./yr. Between Sept. 2013 and June 2020 (6.75 years) along northern 2,000 feet of Town (Area north of 9th Ave.)

•Central Section –Average volume change rate of -0.3 cy/ft./yr(Dec. 2017 to June 2020) and +2.7 cy/ft./yr(Oct. 2006 to June 2020)

•South Sections –Average volume change rate of -15.3 cy/ft./yr(Dec. 2017 to June 2020) and +0.3 cy/ft./yr(Oct. 2006 to June 2020) Note: Includes beach nourishment

•Overall Average along Central and South Section was -5.2 cy/ft./yr, an increase from -3 cy/ft./yr reported in 2019.

Project Volumes-Beach Management Addendum A

**Table 2. Comparison of volumes calculated for each of the beach fill options**

Design	Design Volume <sup>(1)</sup>	Diffusion Loss Volume <sup>(2)</sup>	Advanced Fill Volume <sup>(3)</sup>	Taper Volume <sup>(4)</sup>	Total Volume	Avg. Fill Density <sup>(5)</sup>
Option 1 <sup>(6)</sup>	540,000	54,400	225,000	9,000	828,400	36
Option 2	N/A - Design Volumes and Transition Area Volumes are the Same as Option 1.					
Option 3 <sup>(6)</sup>	720,000	68,800	225,000	12,000	1,025,800	48
Option 4	591,400	54,400	225,000	7,500	878,300	30
Option 5	681,400	54,400	225,000	7,500	968,300	35

<sup>(1)</sup> Volume (CY) necessary to achieve the design goal of each option. This number excludes diffusion loss, advanced fill, and tapers.

<sup>(2)</sup> Volume (CY) included to account for diffusion losses and background erosion (APTIM, 2018).

<sup>(3)</sup> Volume (CY) included to account for background erosion expected to occur throughout the nourishment interval. Re-nourishment interval assumed to be 5 years.

<sup>(4)</sup> Volume (CY) to construct a 500-foot taper on the northern end of the beach fill. Taper is dependent on the fill density at the northern extent of the project.

<sup>(5)</sup> Total Volume included in the Design Volume divided by the length of the beach fill (CY/FT).

<sup>(6)</sup> Options that only include placement of beach fill south of 3<sup>rd</sup> Avenue.

Project Costs: Beach Management Addendum A

**Table 3. Project Option Cost Estimates**

Option	Permitting/ Design Soft Cost <sup>(1)</sup>	Volume (cy) <sup>(2)</sup>	Construction Cost <sup>(3)</sup>	Construction Soft Cost <sup>(4)</sup>	Construction Env. Monitoring Costs <sup>(5)</sup>	Contingency Cost (10%)	TOTAL COST
1	\$435,000	828,400	\$11,758,000	\$235,500 <sup>(6)</sup>	\$275,300	\$1,270,400	\$13,974,200
3	\$435,000	1,025,800	\$14,146,000	\$255,500	\$332,400	\$1,516,900	\$16,685,800
4	\$435,000	878,300	\$12,505,000	\$241,500	\$232,700	\$1,341,400	\$14,755,600
5	\$435,000	968,300	\$13,783,000	\$249,500	\$256,600	\$1,472,400	\$16,196,500

<sup>(1)</sup> Professional services costs associated with the permitting and design of the beach fill project. These costs include design surveys of the beach and offshore sand investigations.

<sup>(2)</sup> Total volume (CY) estimated for the Option including design volume, diffusion losses, advanced fill, and tapers.

<sup>(3)</sup> Costs associated with mobilization/demobilization, sand placement, and other costs paid directly to the dredge contractor.

<sup>(4)</sup> Costs associated with development of construction bid package, bidding assistance, and construction administration.

<sup>(5)</sup> Costs anticipated for estimated environmental monitoring that may be required by permit condition.

<sup>(6)</sup> Updated Construction Soft Costs from those included in the September 2019 update. The updating of these cost estimates resulted in a slight decrease in the Total Cost estimate.

Project Timeline

Milestone	Start Date	Completion Date	Number of Months
Project Initiation / Interagency Meeting	April 2020	April 2020	1
Borrow Area Development	May 2020	January 2021	9
Engineering Design	June 2020	April 2021	11
Federal Permitting	April 2020	June 2021	15
State Permitting	February 2021	July 2021	6
Development of Construction Plans & Specifications	March 2021	June 2021	4
Solicitation of Bids	June 2021	July 2021	1.5
Award Construction Contract	July 2021	August 2021	1.5
Construction	May 2022	October 2022	5

Mayor pro tem Morey asked Ken Willson to explain the focus on volume change offshore.

Ken Willson provided the following explanation. *"You can think of that sand in the offshore portion as like a building foundation of a house or a building. If you place all that sand up there on the upper beach, you have built a bigger structure than your foundation can support, so nature is going to move some of that sand offshore to try and create its foundation that will hold up that beach."* He stated that we know this is going to happen and the plan needs to account for that movement of sand into the offshore. You want approaching waves to break several times before they reach your beach and a shallower offshore will make that possible. You want the amount of energy that waves create to dissipate as much as possible offshore.

Mayor pro tem Morey also inquired about the rising cost of beach nourishment.

Ken Willson stated the initial project will always cost more. The difference between the first project and the second is the volume of maintenance sand. Maintenance projects are just that, maintenance, and will cost less. Mobilization will continue to rise due to inflation.

Mayor pro tem Morey also asked as to how many contractors are expected to bid and if the sand source running out?

Ken Willson stated he was hopeful for three bidders, maybe four. There is enough sand in the offshore borrow for this project and possibly the next. The closest sand is always the cheapest and that will have to be re-evaluated once a new sight is required.

Mayor pro tem Morey asked if there was any correlation to sand from these projects migrating down to Oregon Inlet.

Ken Willson stated there is no data showing any correlation. Oregon Inlet will always require dredging to maintain the desired channel depth.



Councilman Conners asked Ken Willson if the project was going to be bid per cubic yard or a lump sum project. Mr. Willson replied that a lump sum will be bid for mobilization and unit cost of volume for each town. Each town's unit cost of fill will be different.

Councilman Holland inquired if sections with advanced fill would have to be redesigned. Ken Willson replied that it would need to be redesigned.

Councilman Neal stated even though there is only a 2017 and 2019 comparison on the northern section of the beach, it would be beneficial to have those numbers worked into the report.

### **MSD DISCUSSION**

Mayor Bennett stated he had a hard time differentiating MSD 1 & 2 and perhaps they should be the same, at least east of Ocean Blvd.

Councilman Conners stated perhaps there should be just one MSD.

Mayor pro tem Morey stated the Town of Duck had two MSD's and a 14-million-dollar project. She thought the Town-wide percentage was low and should be raised, perhaps to 30% rather than the proposed 25%.

Councilman Neal stated option one correlates to Duck's model. He stated Council needs to focus on the MSD geographic boundaries. The Town benefits from the beach nourishment project, but the properties that will see an immediate real estate property value increase and storm protection from this, are best captured by option #1. He further stated that anybody can argue with the fringes, there is a lot of what about that can be said, but in terms of policy and procedure moving forward, option #1 is the best capture of what we are trying to do in meeting the limits of the statute.

Council agreed Pelican Watch should be MSD #1 and leave all others as presented. Pelican Watch will also have a one-year overlap in assessment from nourishment projects and the residents need to be made aware of that.

Following discussion, Council came to a consensus that option #1 was best.

### **Grant Consideration- Grant Consideration to NCDEQ for a Zero-Emission Vehicle Charging Station.**

The North Carolina Division of Air Quality (NCDAQ) in the North Carolina Department of Environmental Quality (NCDEQ) is soliciting proposals for participation in Phase 1 of the NC Volkswagen Mitigation Settlement Program. The primary goal is to increase the use of ZEV's in place of gas-powered cars to mitigate nitrogen oxides, particulate matter, and greenhouse gas emissions in the state. To achieve that goal, the program will emphasize adding new ZEV charging infrastructure in underserved areas, extend the existing light-duty ZEV infrastructure across the state, encourage intrastate and interstate ZEV vehicle usage at North Carolina's diverse geographic, historic, and tourist attractions, and highlight the environmental benefits of ZEVs. This Request for Proposals (RFP) for the Level 2 ZEV Charging Infrastructure Program will assist interested parties in applying for funds using a first-come, first-served rebate process to install light-duty ZEV Level 2 charging infrastructure and will be open until all funds are exhausted.

An application must be submitted to NCDEQ and approved for a rebate voucher before purchase and installation of the Level 2 charging equipment to qualify. Rebate voucher recipients must provide their

own funding to cover expenses as they are incurred and submit proof that the project invoices have been paid, proof of project work completion, and other additional required documentation to NCDEQ.

Public access requires a minimum of 12 hours a day of availability to the public without restriction. To be publicly accessible the site must be convenient for users of the charging station.

#### Project Requirements

- Level 2 light-duty Electric Vehicle Supply Equipment
- Minimum of 2 ports per project
- One application per unique charging location (address)
- Projects must be installed by a qualified licensed professional according to all federal, state, and local rules, including applicable permitting and inspection requirements.
- Chargers must be maintained and operated for a minimum of five years from the date of project completion.
- The installed Level 2 charging stations must connect to a network by wired Ethernet, Wi-Fi, or cellular connection. Networking allows for centralized management, administration, communication, diagnostics, and data collection.
- Rebate recipients will be required to submit annual charger utilization data for five years after project completion.
- Level 2 ZEV infrastructure must be operational in North Carolina for a minimum of five years.
- Projects must include at least one designated and clearly marked EV parking space per port.
- Public access sites must be clearly identified with signage that directs users to the site and appropriate parking spaces.

#### Eligible Expenditures

- Level 2 charging station infrastructure
- Conduit, cable/wiring, electrical service box disconnect addition
- Concrete or asphalt replacement
- Paint stripping and stenciling of the station parking spaces
- Signage
- Bollards
- Permit costs
- Labor for installation (electrical and trenching)
- Shipping of equipment
- Networking charges (maximum of five years, if paid in advance prior to voucher redemption)
- EVSE maintenance contracts (maximum of five years, if paid in advance prior to voucher redemption)

The estimated cost to meet the grant requirements is \$15,000 of which \$10,000 is reimbursable. Staff recommends that a charge for use be established to recover the Town's cost and yearly expense. Applications are accepted starting January 25, 2021.

Staff recommends the Council authorize staff to make an application for this grant program.

**MOTION:** Mayor Bennett moved to approve an application for the North Carolina Department of Environmental Quality (NCDEQ) for a \$10,000 grant for participation in Phase 1 of the NC Volkswagen Mitigation Settlement Program and authorize an amount not to exceed \$5,000 for costs not covered by

the grant amount; inclusive of approval for a budget amendment totaling \$15,000. The motion was seconded by Mayor pro tem Morey. The motion passed unanimously (5-0).

Councilman Neal stated he would prefer a different location for the charging station, other than the Town Hall parking lot.

**COUNCIL COMMENTS**

Councilman Conners stated the street committee will be conducting a meeting at 2:00 pm on Thursday, January 21.

Councilman Neal stated that heritage properties will still have a 50% tax rate reduction if designated a historic landmark.

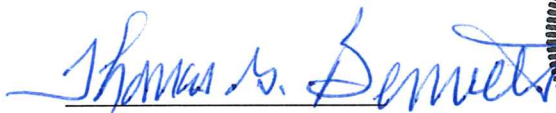
Councilman Holland stated Covid vaccine appointments are being reserved through Dare County Health and Human Services.

**ADJOURN**

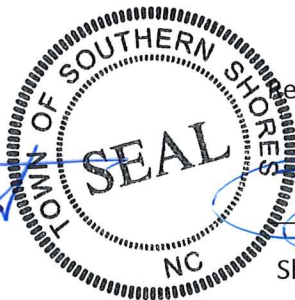
Hearing no other business, Mayor Bennett called for a motion to adjourn.

**MOTION:** Councilman Holland moved to adjourn the meeting. The motion was seconded by Councilman Conners. The motion passed unanimously (5-0). The time was 11:40 a.m.

ATTEST:



Thomas G. Bennett, Mayor



respectfully submitted,



Sheila Kane, Town Clerk