



# Division of Water Resources Budget and Policy Updates NC Beach, Inlet, and Waterway Association

April 26, 2021

*Kevin Hart, Division of Water Resources*



## Project Types:

### Federal Projects

- Funding provided to USACE under a Memorandum of Agreement (MOA)
- There are 24 Federally authorized navigation projects in North Carolina, 22 shallow draft projects (<16 feet depth) and 2 deep draft projects (>16 feet depth)
- Match requirement.

### Non-Federal Projects

- State Funds used as match are from Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund
- Dredging of non-federally authorized navigation channels/waterways
- Municipalities provide match under grant contracts. Funds distributed to the grantee on a reimbursement basis from the Fund.

# Federal Projects

- MOA signed November 14, 2013 between Corps & NCDENR (NCDEQ)
  - Allows State and Local Governments to contribute funds to the Corps for maintenance dredging of SDNCs (\$4.0 annual cap, 4-year expiration)
- In 2013, the NCGA established the “Shallow Draft Navigation Channel Dredging and Lake Maintenance Fund” (SL 2013-360) as the State funding stream in support of the MOA.
- In 2016, § 143-215.73F. “Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund”
- On July 16, 2016 - Amendment to MOA finalized
  - Annual cap is \$12 million (Federal FY)
  - Agreement ends in 2026



# *Long Term MOA for Maintenance Dredging of Federally Authorized Shallow Draft Navigation Channels in NC*



## Contributions using Long-Term MOA:

- FY 2020-2021 \$9,713,116
- Total for Federal FY 2019-2020 \$6,521,022
- Maintenance work ongoing/completed at:
  - Carolina Beach Inlet and AIWW crossing
  - Mason Creek Inlet
  - Lockwood Folly Inlet and AIWW crossing
  - South Ferry Channel
  - Big Foot Slough
  - Bogue Inlet (planned)



Any navigation project that involves channels/waterways in state coastal waters or waters of the state located within lakes

### Dredging Cost-Share

- Tier 1 Counties 75% State / 25% Local
- Tier 2 & 3 Counties – 66% State / 33% Local
- Tier Designation – Department of Commerce annual ranking of economic well-being

### Sources of Revenue

- 50% of each 1 year and 3-year boat certificate fee
- \$10 of each new or transfer of boat title fee
- 1% of the fuel excise tax on motor fuel
- General Assembly Plus-Ups

*Non-Federal Projects*

# Non-Federal Projects

- State financial support to various local government at the following locations:
  - Pine Knoll Shores Channels (Carteret County), multiple projects
  - Topsail Inlet (Pender County)
  - New River Inlet (Onslow County), multiple projects
  - Atlantic Beach Channels (Carteret County), multiple projects
  - Pelletier Creek (Carteret County)
  - Sunset Beach (Brunswick County)
  - Mason Inlet (New Hanover County), multiple projects
  - Spooner's Creek (Carteret County), multiple projects
  - Wainwright Slough (Carteret County)
  - Lake Lure (Rutherford County)
  - Whittaker Creek (Pamlico County)





# Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund

- Revenues FY 20-21: **\$23,554,006** (as of 4/20/21)
  - \$6,946,520.00 - Fees from NCWRC Fund (boat tax)
  - \$11,493,761.00 - Fees from fuel excise tax
  - \$2,130,357.00 - NCGA session directed plus up's
  - \$3,135,186.08 - Matching funds for Corps maintenance work
- Outstanding Grant Balance (FY20-21): **\$11,530,366.35** (4/20/21)
- Expenditures FY 20-21: **\$32,558,318.76** (4/20/21)
- Funds available for award: **\$46,801,842.90** (4/20/21)
  - Several projects expected.





Number	Name of Project	2020-2021
(1)	Princeville Flood Damage Reduction (Pre-Constr./Design)	\$3,465,000
(2)	Carolina Beach CSRM	1,750,000
(3)	Kure Beach CSRM	2,187,500
(4)	Wrightsville Beach CSRM	—
(5)	Ocean Isle CSRM	—
(6)	Planning Assistance to Communities	—
(7)	Wilmington Harbor DA Maintenance	5,906,450
(8)	Morehead City Maintenance	—
(9)	Surf City/North Topsail CSRM (Pre-Constr./Design)	12,500,000
(10)	Dan River Regional Water Supply Project	34,000
(11)	Carteret County (Bogue Banks) CSRM	2,567,320
(12)	Neuse River-Goldsboro Sec. 1135, CAP, Project Mods. (50/50)	—
(13)	Concord Streams, Sec. 206, CAP, Ecosystem Restoration, Stricker Branch, Constr. (65/35)	—
(14)	Lumberton 205, CAP, Flood Damage Reduction (50/50)	—
(15)	B. Everette Jordan Reservoir Water Supply	—
(16)	North Topsail Beach Shoreline Protection – Phase 2	—
(17)	NRCS EQIP/Stream Restoration	2,064,699
(18)	State-Local Projects (WRD Grant Program)	4,734,317
(19)	Water Resources Planning (S.L. 2010-143)	—
<b>TOTALS</b>		<b>\$35,209,286</b>



# SL 2020-79

Type	Corps Project	Non- Federal Sponsor	Cost Share		
			Federal %	State %	Local %
Beach Nourishment	Wrightsville Beach CSRM	Town of Wrightsville Beach	65	17.5	17.5
	Carolina Beach CSRM	Town of Carolina Beach	50	25	25
	Carolina Beach South CSRM	Town of Kure Beach	65	17.5	17.5
	Ocean Isle Beach CSRM	Town of Ocean Isle Beach	65	17.5	17.5
	Surf City/N. Topsail CSRM	Surf City/N. Topsail	65	17.5	17.5

**SESSION LAW 2018-5**

**Impacts to the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund:**

**Section 13.7.(a-h) - Acquire Permanent Dredging Capacity**

- Fifteen million dollars (\$15,000,000) from the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund shall be allocated to Dare County (Local Partner) to provide a forgivable loan to a private partner for the purchase of a shallow draft hopper dredge.
- We now have a fully executed contract and all 3 quarterly payments of \$5,000,000.00 have been distributed.
- Delivery scheduled April 2022.

# *Dredged Material Management Plan*

- Plan for remaining funds (\$1,648,032.32) to be used to assess DMPF in a Planning Assistance to States partnership with USACE.
- Session Law 2019-241: funds allocated to coastal beach and dredging needs assessment may be used for a dredge material management plan to assess any nonfederal disposal area for dredged material in the State.
- Executed Cost Share Agreement
- Funds disbursed to USACE
- Database is being developed





# *Dredged Material Management Plan*

- DMMP would include the evaluation of federal and non-federal dredged material placement facilities (DMPFs)
  - Development of a GIS database to house all dredged material placement sites and mapping non-federal DMPFs.
  - Populating the database to include current facility conditions and capacities about the non-federal DMPFs.
  - Assessment of current dredging needs and frequencies of non-federal users.
- Geospatial database will serve as a central location for identifying all upland dredged material placement sites



## DMPF database will include the following attributes about each placement site:

- Site manager and contact number
- Placement site name
- Adjacent waterbody name
- Placement facility type (upland, control of effluent, etc.)
- County name
- Coordinate location
- Acreage
- Average dike height
- Available capacity
- Number of weirs
- Last used (date)
- Status (Constructed or Unconstructed)
- Placement area condition (rating system)
- Repairs needed (Y/N)
- Known site issues
- Material type
- Site restrictions
- Adjacent regulatory classifications (water quality, essential fish habitats, primary nursery areas, etc.)
- Vegetation cover (e.g. grasses and herbaceous mix, hardwoods, pine, invasive species, etc.)
- Date of last vegetation management



## *SL 2019-224 CSDM Funds*

- Session Law 2019-224 allocated \$11,500,000 to DWR's Coastal Storm Damage Mitigation Fund to be used to provide grants in an amount not to exceed \$2,500,000 for each unit of local government during the 2019-2021 fiscal biennium. Notwithstanding G.S. 143-215.73M, no cost-share shall be required for these grants. Per G.S. 143-215.73M the Fund may only be used for costs associated with beach nourishment, artificial dunes, and other projects to mitigate or remediate coastal storm damage to the ocean beaches and dune systems of the State.



## *SL 2020-224 CSDM*

- Dare County Buxton Maintenance/Storm Damage Repair - \$1,557,606.74\*
- Town of Duck Beach Nourishment Project - \$1,450,921.35
- Town of Kill Devil Hills Shore Protection Project - \$1,450,921.35
- Town of Kitty Hawk Shore Protection Project - \$1,408,247.19
- Town of Nags Head 10-Mile Beach Nourishment - \$1,408,247.19
- Town of Southern Shores Beach Management Project - \$1,408,247.19\*
- Town of Oak Island Re-nourishment Project Phase I & II - \$1,344,235.96
- Surf City Post Florence Emergency Berm Restoration Supplemental - \$1,365,573.03\*
- Town of Holden Beach Sand Fence Installation - \$106,000\*



# *2021-2022 Session*

- HB372 and S354- Excise Tax to CSDM
- HB161- ADV



# QUESTIONS?

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*Department of Environmental Quality/Division of Water Resources*



- FY 2020-21
  - Revenue Shortfalls
    - SL 2020-44 transfers \$3,783,912 to the Dept. of Ag for Ag Science Center.
    - SL 2020-79 Transfers \$15,799,314 to CSRМ projects.



Project Name	Project Sponsor	Scope
Ocean Isle Beach Shoreline Management Project	Town of Ocean Isle Beach	shore protection project including a 3,214 foot-long beach fill component along with the construction of a 750 foot terminal groin
Town of Holden Beach Dune Building Project	Town of Holden Beach	place new sand fence along beach front
The Town of Duck Beach Nourishment Project	Town of Duck	nourish 1.6 miles with a 20-foot wide dune elevation +20.0 feet NAVD fronted by a variable width berm
Surf City Post Florence Emergency Berm Restoration Supplemental	Town of Surf City	dune restoration of 32,641 lineal feet (6.1 miles) (Reimbursement)
Town of Southern Shores Beach Management Project	Town of Southern Shores	a beach fill project along the entire approximately 19,712 feet (3.7 miles) of oceanfront that would consist of a variable width berm at elevation +6
Town of Oak Island Re-nourishment Project Phase I & II	Town of Oak Island	nourish entire nine mile extent of oceanfront shoreline with a dune crest elevation that varies between 12.0 ft and 14.5, a dune crest width of 6 ft, with the front and back slopes of the dune being 1V:5H, breaking at elevation 7 ft then continue out on a 1V:20H slope
Town of Kitty Hawk Shore Protection Project	Town of Kitty Hawk	nourish 21,487' (4 miles) with 60' wide berm at 6' and variable dune w/ crest of 14'
Town of Kill Devil Hills Shore Protection Project	Town of Kill Devil Hills	beach fill OF 2.58 miles including a 15' wide dune at elevation +20.0 fronted by a 40' berm at elevation +6.0
Buxton Maintenance/Storm Damage Repair 2021	Dare County	nourish 15,500' (2.9miles), create ~10 acres of new dune habitat, and ~23 acres of new dry beach habitat (~15 acres at the CHNS area). beach along the project area will be widened by an average of ~100 feet after natural profile adjustment. The proposed project will also include a dune management plan along the Village of Buxton including dune construction, sand fencing installation, and dune vegetation planting.
Town of Nags Head	Town of Nags Head	10 mile beach nourishment project

**Other Water Resources Development Grant Program Impacts (does not impact the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund):**

**SESSION LAW 2018-97 - SECTION 36.7.(f)** - Funds carried forward from Manteo Old House Channel, Section 204 CAP in Section 36.3(b) of this act to:

- \$1,919,000 for maintenance dredging of **Range 1 to 4 of the Manteo Channel**
  - Fully Executed contract and payment is being processed
- \$300,000 to the **North Carolina Wildlife Habitat Foundation for Oyster Highway Project** on the New River in Onslow County.
  - Fully executed contract and funds distributed



## Other Water Resources Development Grant Program Impacts (Does not impact the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund):

### SB 95 Section 13.9 (a) - DEQ GRANT-IN-AID

- Five million dollars (\$5,000,000) shall be allocated in equal amounts to the Towns of North Topsail Beach, Surf City, and Topsail Beach for hurricane recovery projects in or benefitting the Towns and their adjoining coastline.
  - Fully executed contract and payment transferred for Surf City \$1,666,666.66
  - Fully executed contract and payment transferred for North Topsail \$1,666,666.66
  - Fully executed contract and payment transferred for Topsail Beach for \$1,666,666.66



# Proposed Legislation HB 966: Other Impacts

- Water Resources Development Projects impacted:
  - Kure Beach CSRM \$14,000
  - Planning Assistance to Communities \$38,000
  - Wilmington Harbor DA Maintenance \$6,550,000
  - Morehead City Maintenance \$1,500,000
  - Surf City/North Topsail CSRM (Pre-Constr./Design) \$148,000
  - West Onslow CSRM (Pre-Constr./Design) \$148,000
  - NRCS EQIP/Stream Restoration \$1,500,000
  - Manteo Old House Channel, Sec. 204, CAP, Design Comp. \$73,000
  - North Topsail Beach Shoreline Protection – Phase 2 \$500,000

Total \$16,024,000.00



# *HURRICANE FLORENCE DISASTER RELIEF*

## **Session Law 2018-138: An Act to Provide Additional Disaster Relief in Response to Hurricane Florence**

- Eighteen million five hundred thousand dollars (\$18,500,000) to the Department of Environmental Quality for the Coastal Storm Damage Mitigation Fund.
  - Funds in the amount of \$18,500,00.00 have been earmarked for CSDM projects. Award letters stating that the municipality been tentatively approved for funding pending a successful execution of a grant contract are as follows:
    - Oak Island \$3,157,377.00
    - Bogue Banks \$15,342,623.00

## SESSION LAW 2018-136

### 2018 Hurricane Florence Disaster Recovery Act – Senate Bill 3

- Funds earmarked in the amount of \$351,967.68 to compensate municipalities for surveys of beaches and channels completed because of hurricane related damage.
- Impacted Communities:
  - Bad Head Island \$54,907.14
  - Oak Island \$63,549.00
  - Kill Devil Hills \$12,047.54
  - Holden Beach \$21,264.00
  - Dare County \$1,400.00
  - Bogue Banks \$126,800.00
  - North Topsail \$72,000

