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NC Coastal Resources Advisory Council Crystal Coast Civic Center Morehead City, NC April 6, 2005 Meeting Summary

Attendance

Robert Shupe (Chair)

Bill Morrison (Vice-Chair)

Frank Alexander

Carlton Davenport

John Doughty

Wayne Mobley

Dara Royal

Harry Simmons

Lester Simpson

Mike Street

Renee Gledhill-Early Susan Suggs (for Lee Padrick)

Ann Holton Penny Tysinger Jimmy Johnson Dave Weaver Joe Lassiter Calvin Wellons

Angie Manning

Council Call to Order

Bob Shupe called the meeting to order at 3:00pm, with 19 members in attendance. The Council approved the January meeting minutes. There was one amendment to the minutes from Penny Tysinger, who noted that Calvin Peck had been incorrectly listed as a CRAC member. Mike Street announced that the Coastal Habitat Protection Plan is complete and available for viewing on the Division of Marine Fisheries' website.

<u>Update on National and Local Efforts to Re-establish Funding for Federal Dredging and Beach</u> Nourishment Projects

Greg Rudolph, Shore Protection Manager for Carteret County, and Harry Simmons gave an update on the status of federal funding for dredging and beach nourishment projects. Mr. Rudolph explained that while federal mandatory spending has increased over the past 35 years and federal interest payments have remained fairly constant, discretionary spending (which includes funding for navigation projects) has steadily declined. Under the President's \$840 Billion proposed budget for FY2006, the US Army Corps of Engineers would receive \$4.5 Billion for civil works projects. The NC portion of the Atlantic Intracoastal Water Way (AIWW) would receive \$860,000 under the President's proposed budget, short of the \$5-6 Million needed. Maintenance dredging for the state's deep-draft harbors and ports would be funded at \$37 Million, and dredging for the state's shallow-draft inlets would be unfunded. Mr. Rudolph mentioned the state's Congressional delegation was able to secure emergency funding for dredging North Carolina's shallow draft inlets this year. The President's budget zeroed out funding for beach nourishment projects in the state, with an exception of \$890,000 earmarked for Wrightsville Beach. Mr. Rudolph said that coastal states and the White House are now engaged in a game of "Appropriations Chicken," to see whether the federal or local governments will be first to provide steady funds for dredging and nourishment.

Mr. Simmons noted that while Dare County has just approved a one percent tax increase to fund nourishment projects, he would prefer to see local governments wait until all possible avenues for federal funding are exhausted before accepting a shift in the financial burden from the federal government. Mr. Simmons explained that dredging and nourishment are more than local issues, they are national issues, with property ownership and recreational benefits extending to dozens of states and several countries. Mr. Simmons maintains that federal interests should be federally funded.

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Mr. Rudolph emphasized that Congress continues to be generous in their proposed dredging and nourishment funding, but that it continues to be the White House, over the last few Administrations, that has pushed for progressively lower funding. This is the first year, Mr. Rudolph added, that the White House has proposed zero funding. Mr. Simmons added that a bill will be introduced to the state Legislature next week that will seek, in part, to convene a Blue Ribbon Commission to study these issues, and to establish a dedicated funding source for the state match.

NC Coastal Federation, North River Farms Wetlands Restoration Project

Sarah King of the NC Coastal Federation spoke about the Coastal Federation's wetland restoration project at North River Farms in Carteret County. North River Farms comprise 87,000 acres on the south side of Open Grounds Farm, and when restored, can serve as filtration buffer for a portion of Open Grounds to improve water quality. The restoration would also provide wildlife habitat and opportunities for increased seafood harvest, public recreation, and scientific research. Ms. King said that the property was transferred into state ownership in 1795 as a result of a tax default. It remained as wetlands until the 1850s, when it was ditched and cultivated as farmland. Ms. King explained that the ditches enable the transport of pesticides and fertilizers to public waters.

The Coastal Federation has so far restored approximately 350 of the 87,000 acres, and is testing different restoration methods. So far the scientists have seen a direct correlation between cost and effectiveness of the different methods. Scientists are currently designing another restoration method, that will re-create tidal and freshwater streams by diverting some water flow from the North River onto the site. Ms. King said that scientists from NC State University are doing post-project monitoring and evaluating various parameters. The scientists have found that approximately 50 percent of the replanted vegetation survives less than 12 months. The scientists are also confident that eliminating the drainage ditches will not have any adverse drainage effects on Open Grounds Farm. The Coastal Federation currently holds title to the North River Farms property, and intends to transfer title to public ownership in the future.

NC Marine Science and Education Partnership

Dave Inscoe, Executive Director of the Carteret County Economic Development Council spoke about the Marine Science and Education Partnership (MSEP). MSEP is a loose consortium of eleven organizations that has, over the past four years, been assessing the socioeconomic impacts of the marine science and educational institutions active in Carteret County. Partners meet six to eight times per year. A recently-completed study by the Kenan Institute found that Marine Science and Education partners directly employ of 400 people in Carteret County and report a \$17 Million annual payroll. Secondary impacts to the county are \$127 Million in annual economic impact, and over 3,100 related jobs. The group sees their main challenge as capitalizing on the economic development potential in marine sciences and technology. Some desired outcomes are to develop new markets, continue to shape education curricula, foster innovation, and to increase political influence. The group has recently applied for a Partnership in Innovation grant from the National Science Foundation. If the application is successful, the group will use the funds to find ways to develop the economic potential in Carteret and surrounding counties. Planned activities will include job training. Mr. Inscoe would like to see MSEP expand statewide to include similar organizations, and to increase joint efforts on marine research, technology development and socioeconomic impact.

CRAC and Local Government Input on Sediment Criteria

Jeff Warren asked the CRAC to solicit input on the proposed sediment criteria from their represented bodies as the criteria progress from recommendations to rules. Mr. Warren also exhibited a sample of the porous groin material that has been legislatively proposed for temporary use on Brunswick County beaches. The bill, HB 1070, was introduced by Rep. Bonner Stiller on March 31st.

Old/New Business

Mr. Shupe raised the question of new mileage reimbursement rates, referring to information that the reimbursement rate for state employees had increased in January of this year. Mr. Shupe and Mr. Morrison

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wanted to know if there had a rate increase for members of the CRAC, particularly in light of current gas prices averaging \$2.25 per gallon. John Thayer checked with Jaye Poole by phone, and confirmed that the mileage reimbursement rate had not been increased for CRAC members. Mr. Shupe remarked that he hopes that the Division or the Department can consider increasing the rate. Several members responded that the rates is determined in the legislative branch, and that the Division and Department have no control over where the rates are set.

Adjourn

With no further business the Advisory Council adjourned at 4:50pm.