



North Carolina Department of Administration

Pat McCrory, Governor

Bill Daughtride, Jr., Secretary

Oregon Inlet Land Acquisition Task Force February 6, 2014 10:00 AM – 1:00 PM UNC Coastal Studies Institute Wanchese, NC

The Oregon Inlet Land Acquisition Task Force met on Thursday, February 6, 2014 at 10:00 AM. The meeting was held in Room 262 of the UNC Coastal Studies Institute in Wanchese, NC. Secretary Bill Daughtride, Jr. presided. All documents and presentations are available on the website for the North Carolina Department of Administration.

In compliance with Session Law 2013-138:

SECTION 3.2. The Task Force shall consist of the following 13 members:

- (1) The Governor or the Governor's designee, who shall be chair. - **Bill Daughtride, Jr., Chair**
- (2) The Commissioner of Agriculture and Consumer Services or the Commissioner's designee. - **Zane Hedgecock**
- (3) The Secretary of the Department of Administration or the Secretary's designee. - **Speros Fleggas**
- (4) The Secretary of the Department of Commerce or the Secretary's designee. - **Bob Peele**
- (5) The Secretary of the Department of Environment and Natural Resources or the Secretary's designee. - **Neal Robbins**
- (6) The Secretary of the Department of Public Safety or the Secretary's designee. - **Greg Baker**
- (7) The Secretary of the Department of Transportation or the Secretary's designee. - **Malcolm Fearing**
- (8) The Attorney General or the Attorney General's designee. - **Elizabeth (Beth) Leonard McKay**
- (9) Two members of the Senate appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate. **Senator Bill Cook and Senator Bill Rabon**
- (10) Two members of the House of Representatives appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives. **Representative Chris Millis and Representative Paul Tine**
- (11) The chair of the Dare County Board of Commissioners or the chair's designee. **Warren Judge**

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Committee Members:

Chair: Secretary Bill Daughtridge, Jr.,

Members:

- Speros Fleggas, Department of Administration
- John Adylett (ex-officio), Department of Agriculture
- Bob Peele, Department of Commerce
- Neal Robbins, Department of Environment and Natural Resources
- Greg Baker, Department of Public Safety
- Bill Cook, North Carolina Senate
- Warren Judge, Dare County Board of Commissioners, Chair
- Paul Tine, North Carolina House of Representatives
- Elizabeth (Beth) McKay, Attorney General – designee

Members present by Teleconference:

- Malcolm Fearing, Department of Transportation (Teleconference)

Absent:

- Senator Bill Rabon
- Representative Chris Millis

Task Force Committee Clerk:

- Rhonda Todd, Legislative Liaison, Department of Administration

Guests:

Thayer Broili, Steve Thompson, Wally Overman, Mary Jernigan, Andy Munn, Tim Walton, Don Teeter, Mark Teague, Sheree Pratt, Chris Mears, Betty Jo Shephard, Steve Shriver, Sterling Baker, Jerry Jennings, Paul Spencer, Harry Schiffman, Mikey Daniels, Catherine Jordan, Sarah Lindh, Melissa Midgett, Wayne Umphlett, Jordan Hennessy, and Jeff Warren

Welcome:

Warren Judge, Chair of the Dare County Board of Commissioners welcomed Chairman Daughtridge, members, and guests. He stressed the importance of sustaining navigability of the Oregon Inlet and value to the state.

Call to Order:

Secretary Daughtridge extended a welcome and recognized the UNC Institute for hosting the inaugural Oregon Inlet Land Acquisition Task Force meeting. He explained his recent January appointment and the charge of Session Law 2013-138, an act to direct the Department of Environment

and Natural Resources to pursue various strategies to ensure that the State's shallow draft navigation channels are safe and navigable and to create the Oregon Inlet Land Acquisition Task Force having been signed into law June 20, 2013. Section 3.7 requires by May 1, 2014, the Task Force shall submit a report detailing its findings and recommendations to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the General Assembly. The Task Force shall terminate upon the filings of the report required by this section.

Secretary Daughtridge shared that the Task Force would be working at a fast pace to fulfill the purpose of determining, reviewing, and considering State's options for acquiring the federal government, title, and interest in the Oregon Inlet and real property adjacent thereto, including submerged lands.

Oregon Inlet Overview – Harry Schiffman (see: Oregon Inlet Overview):

Mr. Schiffman gave an extensive presentation. He began by explaining the Oregon Inlet has a history of greater than 2.0 miles southward migration since opening in 1846. Harry Schiffman explained that the Oregon Inlet has a history of greater than 2.0 miles of southward migration since opening in 1846. In recent times, the Bodie Island Spit on the north side of the Oregon Inlet has attempted to leap frog across the inlet and continues to shut down the navigation span at the bridge. In early December 2012 for approximately two months, the navigation channel depth at the bridge was only 2.5ft., and a second time, shortly after the departure of dredges in early February 2013, and again in the Fall of 2013. This process occurs quickly, unpredictably, and is becoming more frequent. During the presentation Mr. Schiffman pointed out that history has demonstrated that dredging alone cannot provide the safety and dependability that is needed to provide the economic and environmental benefits essential to the well-being of the numerous communities surrounding the many sounds, rivers, creeks, and seashores in northeastern North Carolina. Had the plan, developed by the Corps of Engineers to stabilize Oregon Inlet and authorized by Congress in 1970, been implemented, the financial and environmental rewards would have been tremendous. Several economic studies have been performed to assess the economic benefits to the economy of the region. Oregon Inlet is the only deep water inlet from the Chesapeake Bay to Beaufort, NC.

History of Oregon Inlet – Jerry Jennings (see: History of Oregon Inlet):

Jerry Jennings, Division 1 Engineer, NC DOT, gave background and history information of the bridge. Inlet opened 1846's, private ferry began operating in 1920's, State of NC took over ferry in 1950's, Bonner Bridge opened 1963, terminal groin completed 1991, and contract awarded to replace bridge 2011.

Bonner Bridge Replacement (B-2500)

- design-build contract awarded to PCL Civil Constructor, Inc., in July 2011
- HDR Engineering, Inc. of the Carolinas – lead design firm
- Bid was \$215.8
- Approximately 3 year construction

	Old	New
Bridge length (miles)	2.4	2.8
Number of Bents	207	83
Number of navigation spans	3	11

Navigation opening width (ft)	502	3550
Design lifespan (years)	30	100

Past Efforts – Bob Peele (see: **Past Efforts: Legislative and Permitting Efforts Synopsis - Presentation**): PowerPoint presentation: The Manteo (Shallowbag) Bay Project was passed into law in 1970 as part of the 1970 Rivers and Harbors Act. From 1971 to 1978 three major events occurred:

- The Corps of Engineers designed and evaluated the project – producing the first Final (EIS) Environmental Impact Statement and (GDM) General Design Memorandum in July 1977.
- The State of North Carolina worked to design its component of the federal project – the Wanchese Seafood Industrial Park began in 1978 with the facility opening for business in 1981.

Sufficiency of the Boat Industry – Captain Paul Spencer, Spencer Yachts, Inc., Proprietor:

The Oregon Inlet and the annual benefit to Dare County and the surrounding region: The benefits of commercial fishing (\$7 million), seafood packing and processing (\$33 million), boat building and support services (\$140 million), and recreational fishing and tourism (\$502 million).

The Oregon Inlet is the only deep-water access to harbors of safety for commercial and recreational vessels for a distance or 220 miles along the eastern seaboard. Spencer Yachts, Inc. manufactures \$1.3 million to \$9 million dollar boats. The risk involved with shallow inlet can damage the hull of the boats during delivery. The risk is too great to potentially damage this type investment. Boat builders are hesitant to remain in the area. Because of severe shoaling around the channel under the navigation span, charter and recreational boaters routinely use a route between bridge pilings to the south where there are no markers. The Coast Guard does not recognize it as a navigation channel. If the inlet is not properly dredged, out charter and recreational fishing fleets will be forced to move elsewhere.

Discussion & Planning – Senator Bill Cook:

Senator Cook discussed House Bill 707 and the requirements for the Oregon Inlet Land Acquisition Task Force stated legislation www.ncleg.net/Sessions/2013/Bills/House/HTML/H707v2.html

Charge to Coastal Studies Institute – Secretary Daughtridge:

Chairman extends appreciation for use of the facilities and assistance from staff to provide resources for research.

Subcommittee Assignments – Secretary Daughtridge:

Fishing Economics

- Commercial Fishing
- Seafood – packaging and processing
- Recreational fishing and tourism

Senator Bill Rabon
Bob Peele

Legal

- Title, deed, ownerships
- Property swaps
- Condemnation
- Results and options

Representative Chris Millis
Speros Fleggas
Beth McKay

Transportation and Safety

- Benefits of a Stable Bridge
- Resident Safety

Malcolm Fearing
Greg Baker

Environmental Impacts

- Inlet shuts down
- Benefits of wildlife
- Crops destroyed by brackish waters

Neal Robbins
Zane Hedgecock

Revenues and Savings

- Taxes and Tariffs
- Savings from decreased dredging
- Boat building & repairs
- Flooding and insurance
- Offshore drilling/ Offshore wind energy
- General tourism

Representative Paul Tine
Senator Bill Cook

“Big Picture”

- Distribute existing information

Warren Judge

Adjourn: With no further discussions or questions, the committee meeting was adjourned at 12:43PM.