

TOWN OF SUNSET BEACH
2016 SHORELINE MANAGEMENT AND PRE-DREDGE ANALYSIS
PERMITTING

PROGRESS REPORT DATE
SEPTEMBER 04, 2018

Report Period: July 01 thru August 31, 2018

The items below provide a description of key elements related to the current progress, including outstanding items and anticipated resolutions, for completing the work known as Town of Sunset Beach, 2016 Shoreline Management and Pre-Dredge Analysis, Phase 3 - Permitting.

Acronyms: M&N – Moffatt & Nichol
DCM – North Carolina Division of Coastal Management
DMF – North Carolina Division of Marine Fisheries
NMFS – National Marine Fisheries Service
WRC – North Carolina Wildlife Resources Commission.
USACE – US Army Corps of Engineers (Wilmington District)

Phase 1 – Feasibility Analysis (100% complete)

Items Previously Completed: (100%)

The Town of Sunset Beach (Town) and M&N initiated a contract on February 19th to study the feasibility of conducting approximately 3.5 miles of navigation dredging within the Town limits. The work areas include Mary's Creek, Turtle Creek, Jinks Creek, the Feeder Canal and adjoining finger canals, and the Bay area. The results of the analysis were positive and the Town elected to move forward with the design and modeling of the proposed work on June 7th. The design work was authorized to begin July 1, 2016.

Phase 2 –Design (100% complete)

Items Previously Completed (100%)

M&N completed the design phase for the project in August 2017. The work included identifying a dredge alignment and determining the volume of dredge material. M&N also completed a shellfish survey for Mary's and Turtle Creeks and identified material placement locations for the compatible and non-compatible material. The design will continue to be refined as new information becomes available from the environmental studies proposed through the permitting process.

Phase 3 –Permitting (96.1% complete)

Items Previously Completed: (78.9% complete)

1.0 Project Coordination

- The Town conceptually agreed to move forward with use of the USACE material placement islands 310 or 311 at a cost of \$5.75 / cubic yard as a tipping fee. The tipping fee will be paid to the underlying property owner if the material placement islands are used.

2.0 Jinks Creek Shellfish Survey

- M&N completed a draft copy of the shellfish survey and report for distribution and review by the permitting agencies. The findings were presented to the Town at the February 20th council meeting. The report noted some type of mitigation efforts would most likely be required as part of the Jinks Creek dredging. M&N will research potential options for the Town's consideration and discussion at the next agency coordination meeting.

- The agencies accepted the shellfish survey without comments on April 9th, 2018. DMF reviewed the document and commented on its completeness at the April 9th Agency Coordination meeting.

3.0 Jinks Creek Site Meeting

- The Jinks Creek site meeting was held on Friday, July 21, 2017 with representatives from DCM, DMF, NMFS, USACE, WRC, the Town, and M&N. As a follow up from the site meeting M&N provided an extrapolated expected shellfish quantity in northern Jinks Creek. The list below provides the extrapolated results. (Note the area designations refer to those shown in the figure above.)
 - i. Area 1 – 17 Clams per acre / 534 Oyster per acre.
 - ii. Area 2 – 12 Clams per acre / 712 Oyster per acre.
 - iii. Area 3 – 1 Clam per acre / 870 Oyster per acre.
- Comments received from the site visit indicate NMFS supports the project, but will require some type of mitigation / relocation efforts for the impacted oyster in northern Jinks Creek. The agencies have also indicated the full shellfish survey of Jinks Creek will be required to evaluate the potential impacts.
- Alternate comments received from DCM suggested the agencies would prefer to see 3 permit applications for this overall project covering the following areas:
 - i. Mary's & Turtle Creek.
 - ii. Feeder Canal, Finger Canals, & Bay Area.
 - iii. Jinks Creek as a whole.

4.0 Agency Coordination Meeting

- The 3rd Agency Coordination meeting was held on April 9th 2018. The main outcome from the meeting was as follows:
 - DCM confirmed any dredging any the Feeder Canal or Bay Area could not exceed the governing depth of Jinks Creek or the Tubbs Inlet. A connection at least as deep as the dredging depths must extend either to the Atlantic Ocean or to the AIWW. However, DCM also stated they would support a variance to this requirement (15 NCAC 07H.0208.b.1.f) if the Town requested one from the CAC.
 - DCM noted that other agencies such as DWR may also have concerns about dredging the Feeder Canal or Bay area deeper than Jinks Creek, which is currently at -2MLW. DWR representatives left the meeting early and did not provide feedback regarding their concerns or lack thereof.

5.0 - 8.0 EFH, BA, Cultural Resource Review, & CAMA Major Permit Review

- M&N submitted the revised CAMA major permit for Mary's and Turtle Creek in late February. The permit application included the EFH, BA, and cultural resource review as well as revised drawings showing a dredging buffer around the marsh grasses to minimize potential impacts.
- DCM also clarified that pursuant to NCAC 15A 07H.0208.b.1.f that any proposed work in the Feeder Canal and Bay Area would need to consider the controlling depth of Jinks Creek. Therefore, the Town will need to request a variance from the specified rule in order to remove N. Jinks Creek from the project. Support from DWR will be important when the Town requests the variance from the CRC to continue the project without dredging either N. Jinks Creek or Tubbs Inlet to provide the deep water connection. DWR staff indicated they supported the variance request but would need to review the application to confirm.

9.0 Coordination with the Town of Ocean Isle Beach (OIB)

- M&N discussed the potential for cost sharing sand placement on OIB with Town leaders of Ocean Isle Beach. OIB elected not to participate in the project financially citing the proposed placement volume would not create a significant enough benefit for OIB residents. (Approximately 30,000 CY should be placed as beneficial reuse for the project.)

Progress this Period: (18.2% of total task)

1.0 Project Coordination

- The Town authorized additional work under the project coordination task to negotiate potential options with the USACE for use of the material disposal islands or dredge material management facilities (DMMF)'s along the AIWW. Through the discussions, the USACE has granted permission for use of the islands pending a formal agreement. The agreement must be reviewed by USACE-HQ in Washington DC and will require the Town to remove any placed material within a 3-year period.

Due to the time anticipated for executing a use agreement for the DMMF's along the AIWW, a recommendation to move forward with a truck haul project will be provided to the Town in order to construct this year.

The Town also authorized additional work to assist with the variance request anticipated to the CRC to allow the removal of N. Jinks Creek from the dredging scope. A 'deep-water' connection must be provided to either the AIWW or the Atlantic Ocean in order to satisfy DCM requirements. The variance request would allow the Town to dredge the Feeder Canal, S. Jinks Creek, and the Bay Area without providing the deep water connection.

11.0 Profile Surveys

- The Town authorized beach profile surveys to help classify the existing conditions within the proposed beneficial reuse area between 5th and 11th Street. Geodynamics completed the work in July and the permit drawings have been updated to reflect current conditions.

12.0 Sediment Analysis

- The Town authorized additional sediment analysis work to help classify the existing conditions within the proposed beneficial reuse area between 5th and 11th Street. ECS Southeast, LLP completed the work in August and the permit documentation has been updated to reflect current conditions.

Outstanding Items and Anticipated Completion Dates:

8.0

CAMA Major Permit Submittal

- M&N will revise the CAMA permit submittal for the Bay Area, the Feeder Canal, and South Jinks Creek based on feedback received concerning changing the project scope to a truck haul project. (S. Jinks Creek would still be dredged by a hydraulic pipeline dredge with material placed on the beach between 5th and 11th Street.) A revised permit submittal will be provided by October.
- Expectations suggest the state and federal permitting agencies will condition the permit to include either Jinks Creek or Tubbs Inlet based on 15 NCAC 07H.0208.b.1.f. If this occurs the Town will need to request a variance from the CAC to relax this requirement. The CRC (Coastal Resource Commission) should review the variance request at the November 2018 of February 2019 quarterly meeting.

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DESIGN & PERMITTING**

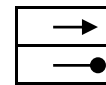
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Progress Schedule

Tasks	2017												2018												2019					
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June			
Project Coordination																														
Jinks Creek Shellfish Survey																														
Jinks Creek Site Meeting																														
3rd Agency Coordination Meeting																														
EFH Assessment																														
Biological Assessment (BA)																														
Cultural Resources Review																														
CAMA Major Permit																														
Coordination with OIB																														
Environmental Management																														
Profile Surveys																														
Sediment Analysis																														



Anticipated timeframe to complete task.
Anticipated overrun in task.



Work in progress (WIP) for task.
Actual timeframe to complete task.