



NORTH CAROLINA
Environmental Quality

ROY COOPER
Governor

MICHAEL S. REGAN
Secretary

BRAXTON C. DAVIS
Director

January 1, 2019

Environmental Review Commission
16 W. Jones Street
Raleigh, NC 27601

Re: Terminal Groins Pilot Project

Dear Members of the Environmental Review Commission,

Attached is the Department of Environment Quality's report on the implementation of the terminal groin legislation. This report is provided pursuant to S.L. 2011-387 (Sec. 5), which states: "No later than September 1 of each year, the Coastal Resources Commission shall report to the Environmental Review Commission on the implementation of this act. The report shall provide a detailed description of each proposed and permitted terminal groin and its accompanying beach fill project, including the information required to be submitted pursuant to subsection (e) of G.S. 113A-115.1, as amended by Section 1 of this act. For each permitted terminal groin and its accompanying beach fill project, the report shall also provide all of the following:

- (1) The findings of the Commission required pursuant to subsection (f) of G.S. 113A-115.1, as amended by Section 1 of this act.
- (2) The status of construction and maintenance of the terminal groin and its accompanying beach fill project, including the status of the implementation of the plan for construction and maintenance and the inlet management plan.
- (3) A description and assessment of the benefits of the terminal groin and its accompanying beach fill project, if any.
- (4) A description and assessment of the adverse impacts of the terminal groin and its accompanying beach fill project, if any, including a description and assessment of any mitigation measures implemented to address adverse impacts."

Session Law 2017-10 decreased the reporting frequency of this requirement to once every five years, beginning on January 1st, 2019. If you have any questions or need additional information, please contact me by phone at 919-609-0989, or via e-mail at john.lucey@ncdenr.gov.

Sincerely,

John Lucey
Legislative Liaison

cc: Sheila Holman, Assistant Secretary for the Environment
Braxton Davis, Director, Division of Coastal Management



REPORT ON IMPLEMENTATION OF TERMINAL GROIN LEGISLATION

Session Law 2011-387 (S110) authorizes the Coastal Resources Commission (CRC) to permit the construction of terminal groins under a pilot program if the commission finds that (i) structures or infrastructure are imminently threatened by erosion, and that nonstructural approaches to erosion control are impractical; (ii) the terminal groin will be accompanied by a concurrent beach fill project; (iii) construction and maintenance of the terminal groin will not result in significant adverse impacts to private property or to the public recreational beach; (iv) the terminal groin will be managed pursuant to an inlet management plan; and (v) there are sufficient financial resources to cover the costs associated with the terminal groin. The legislation also required that the CRC report to the Environmental Review Commission on the implementation of the act, including a detailed description of each proposed and permitted terminal groin and its accompanying beach fill project. Session Law 2017-10 decreased the reporting frequency of this reporting requirement of this report to once every five years, beginning on January 1, 2019.

The Coastal Policy Reform Act of 2013 (Senate Bill 151), which modified G.S. 113A-115.1(a)(3) to allow for construction of other design features, such as L-heads, in association with a terminal groin, as well as clarified portions of the existing terminal groin legislation dealing with project funding, financial assurances, and monitoring and mitigation requirements, was ratified by the legislature on July 22, 2013, and signed into law on August 23, 2013. Part of Senate Bill 151 required that the financial assurance plan for a project must be certified by either the secretary of Department of Environmental Quality (DEQ) or the CRC. DEQ senior management, through the DEQ legal counsel, advised that the choice of approval pathway (DEQ vs. CRC) should be left to the desire of each individual permit applicant. Further clarifications on information needs related to the financial assurance certifications were also amended.

To date, six communities have expressed varying levels of interest in pursuing a terminal groin project or have begun the process of satisfying the requirements of G.S. 113A-115.1. The following summaries outline the status of these communities in the permitting process.

Village of Bald Head Island

A permit application for the Village's terminal groin proposal was submitted to the Division of Coastal Management on July 25, 2014. It should be noted that the Village did receive certification from DEQ of their financial assurance package prior to the final submittal of the permit application package. Following completion of the state and federal agency review of the application package, Coastal Area Management Act Permit No. 91-14 was issued on October 21, 2014. Construction of the terminal groin was completed in 2015. The Division of Coastal Management's monitoring of the terminal groin during and following construction has not identified any issues that would require significant permit modifications or enforcement actions. While ongoing post-construction monitoring performed by the permittee has not identified any significant issues that would require corrective or mitigative measures, the Village is in the process of implementing a maintenance beach nourishment event this winter under the active permit.



Ocean Isle Beach

The draft Environmental Impact Statement (DEIS) for this project was released for public comment and agency review in early 2015. The applicant and the U.S. Army Corps of Engineers (USACE) incorporated the comments received from resource agencies and the public during the DEIS review into a final Environmental Impact Statement (FEIS) for the proposed project, which was released in April 2016. The Division of Coastal Management provided comments on the FEIS in June 2016, at which time the applicant submitted a major permit application for the proposed project. Following completion of the state and federal agency review of the application package, Coastal Area Management Act Permit No. 107-16 was issued on November 7, 2016. Construction on the groin was anticipated to begin in late 2017. However, the Town has indefinitely suspended this construction schedule pending resolution of an appeal filed by the Southern Environmental Law Center on behalf of the Audubon Society relating to the Federal permit issued for this project by the USACE.

Figure Eight Island Homeowners Association

In 2012, the Figure Eight Island Homeowners Association prepared a DEIS that addressed shoreline stabilization options for Rich Inlet in New Hanover County. The applicant's preferred alternative was the construction of a terminal groin at Rich Inlet with a concurrent beach fill project. In July 2012, the Division of Coastal Management provided comments on the DEIS to the USACE. The applicant and USACE have completed the process of incorporating these comments, as well as those from other commenting agencies and the public, into a supplemental Environmental Impact Statement (SIES) for the proposed project. Also incorporated into the SEIS were several project design modifications which the applicant believed were necessary to address both agency and local citizen concerns. The SEIS was released for public and agency comment in July 2015, and the Division of Coastal Management provided comments on the document in September 2015. A FEIS was released for the project in June of 2016 and the Division of Coastal Management provided comment on the document in August of 2016. To date, the applicant has yet to apply for a Coastal Area Management Act permit for the proposed project.

Holden Beach

The USACE released a DEIS for agency and public comment in August 2015. The Division of Coastal Management commented on the DEIS in October 2015. A public hearing on the proposed project was held in February 2016. In early 2018, a public notice was issued by the USACE requesting public and agency comments on the FEIS. However, in April 2018, following a reassessment by the Town of their options for shoreline protection on the east end of the island, the Town formally notified the Division of Coastal Management and the USACE that they were withdrawing their request for a terminal groin, as they were no longer interested in pursuing this option.

Carteret County

As part of its ongoing efforts to develop a long-term programmatic approach to address erosion problems along Bogue Banks, Carteret County added the use of a terminal groin at Bogue Inlet as one of several options that could be used to respond to shoreline erosion over the next 30 years. However, the terminal groin option was not included as a part of the applicant's preferred



alternative and was also not included in the County's permit application for the long-term programmatic approach. State and Federal permits for the 30-year project, which did not include the terminal groin option, were issued in September 2018.

North Topsail Beach

Several meetings have been held between representatives of the Town of North Topsail Beach, the Division of Coastal Management and the USACE to discuss the possibility of the Town pursuing authorization to construct a terminal groin adjacent to New River Inlet. The Town has hired an engineering consultant to help them explore their options for stabilizing the New River Inlet shoreline, but to date the Town has not initiated the formal process necessary to obtain the required Coastal Area Management Act permit for a terminal groin.



