



North Carolina Department of Environment and Natural Resources

MEMORANDUM

TO: Environmental Review Commission
The Honorable Brent Jackson, Co-Chair
The Honorable Mike Hager, Co-Chair

FROM: Matthew Dockham
Director of Legislative and Intergovernmental Affairs

SUBJECT: Coastal Resources Commission Terminal Groin Legislation
Implementation Report

DATE: September 1, 2015

Attached for your information is the Department of Environment and Natural Resources report on implementation of the terminal groins legislation. This report is provided to you pursuant to SL 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. .

If you have any questions or need additional information, please contact me by phone at 919.707.8618 or via e-mail at matthew.dockham@ncdenr.gov.

cc: Tom Reeder, Assistant Secretary for the Environment, NCDENR
Braxton Davis, Division of Coastal Management Director, NCDENR

**N.C. COASTAL RESOURCES COMMISSION
REPORT ON IMPLEMENTATION OF TERMINAL GROIN LEGISLATION
SEPTEMBER 1, 2015**

Session Law 2011-387 (S110) authorizes the Coastal Resources Commission (CRC) to permit the construction of a terminal groin 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 requires 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.

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 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 DENR or the CRC. Following coordination with Dept. of Environment and Natural Resources (DENR) senior management on this matter, it has been decided that the choice of approval pathway (DENR vs. CRC) would 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, five 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.

Figure Eight Island Homeowners Association

In 2012, the Figure Eight Island Homeowners Association prepared a draft Environmental Impact Statement (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. The proposed project would involve additional beach nourishment every five years following completion of the terminal groin. Proposed impact monitoring would be based on a comparison of anticipated beach volumes versus actual beach volumes along multiple transects in the project area. Should the measured post-project sand volumes fall below anticipated volumes, mitigation would be implemented, likely in the form of additional sand placement in the impact areas.

In July 2012, the Division of Coastal Management provided comments on the DEIS to the U.S. Army Corps of Engineers (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 (SEIS) for the proposed project. Also incorporated into the SEIS are 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 of 2015, and the Division of Coastal Management is in the process of reviewing this environmental document.

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 DENR 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 (copy attached) was issued on October 21, 2014. Impact monitoring will be based on a comparison of anticipated beach volumes versus actual beach volumes along multiple transects in the project area. Construction on the terminal groin, which began in May 2015, is ongoing as of the date of this report. The Division of Coastal Management's monitoring of the ongoing terminal groin construction has not identified any significant issues that would require significant permit modifications or enforcement actions.

Holden Beach

There have been no additional meetings between the Division of Coastal Management and the Town of Holden Beach on this project during the past year. The Division of Coastal Management was recently advised that the USACE would likely release the DEIS for agency and public comment during the summer of 2015.

Ocean Isle Beach

The DEIS for this project was released for public comment and agency review in early 2015. The applicant and USACE are in the process of incorporating comments received from resource agencies and the public into a final Environmental Impact Statement (FEIS) for the proposed project. The applicant has also submitted a draft major permit application, which the Division of Coastal Management is in the process of reviewing for completeness and for compliance with the requirements of Senate Bill 151. The applicant and DENR legal counsel are also currently working towards certifying the required financial assurance package. It is anticipated that these steps will be completed within the next month, at which time formal processing of the CAMA Major Permit application will begin.

Carteret County

As part of its ongoing efforts to develop a long-term programmatic approach to address erosion problems along Bogue Banks, Carteret County has 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. At this time, it is unclear if the county will be formally pursuing a terminal groin project.