



The Village of Bald Head Island

VIA E-MAIL

March 21, 2019

Mr. Paul J. Cozza
Executive Director
North Carolina State Ports Authority
2202 Burnett Boulevard
Wilmington, North Carolina 28401
Email: paul.cozza@ncports.com

Re: Village of Bald Head Island

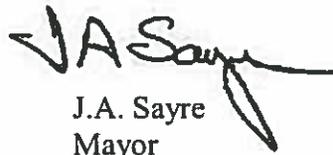
Dear Mr. Cozza:

Thank you and your team for your time visiting with us at Bald Head Island on February 26th, 2019.

As we discussed, the entrance to the Cape Fear River is a complex environmental system that the Village has studied and modeled for many years. Attached is documentation concerning Bald Head Island and its experience with the shipping channel deepening that occurred in 1999-2000. If we can provide any data or information that would be helpful, please do not hesitate to contact us.

I will look forward to staying in touch with you as studies regarding modifications to the channel progress.

Sincerely yours,


J.A. Sayre
Mayor

Attachments

About Bald Head Island

Spring 2019

Facts

- Approximately 12,000 acres; 10,000 marsh and creeks, 2,000 buildable acres including roads
- 14 miles of oceanfront, 1 mile of riverfront
- Approximately 2,100 residential parcels
- Approximately 1,200 constructed residences
- Approximately 60% built out
- Approximately 200 permanent residents
- 2018 property tax value of Bald Head Island: \$1.105 Billion (\$586 Million in beach-related municipal service tax districts)
- 2018 property tax value of all Brunswick County barrier islands: \$8.44 Billion

Attractions

- South- and east-facing beaches plus riverfront and 10,000 acres of creeks and marsh
- Versatile beach-going experience because of different sun and wind exposures
- Resort community with Bald Head Island Club 18 hole golf course, tennis, pool, croquet; Shoals Club; and other amenities
- One of the largest and best preserved maritime forests in North Carolina
- Northernmost semi-tropical locale on US East Coast
- First environmental “battle” in NC occurred over planned development of island. Resulted in state acquisition of 10,000 acres of marsh and beach front
- Community developed with concept of living in harmony with nature
 - Minimal building footprints – maximum 25 percent of buildable lot
 - Trees may not be cut if they are 3 inches in diameter at 4 feet above ground
 - Promotes use of electric golf carts with limits on internal combustion vehicles
 - Stringent lighting ordinances and building design guidelines to
 - Protect view shed and
 - Protect sea turtles and their hatchlings
- Historic Features
 - “Old Baldy” Lighthouse, 108 feet tall
 - National Register of Historic places
 - Originally commissioned by Thomas Jefferson in 1803
 - Current structure built in 1817
 - Oldest lighthouse in NC
 - Privately funded non-profit foundation
 - Location of Revolutionary War fort
 - Location of Fort Holmes, Civil War fort, part of which still stands (Battery 4)
- Sea turtle nesting site
 - Bald Head Island Conservancy, founded 1982; Membership organization
 - More than 35 years of privately funded non-profit conservation
 - Conservancy’s \$200,000 annual investment in sea turtle conservation generates (2012 data)
 - \$30 million in revenues locally and
 - \$50 million regionally
- One of North Carolina’s three important capes

- Named The Cape of Feare by early European navigators because of treacherous waters and dynamic shoals
- Smith Island Land Trust [SILT] formed in 1996
 - A private non-profit § 501(c)(3) organization
 - 38 properties totaling 54+ acres under conservation
 - 11 acres at “The Point” at Cape Fear purchased and preserved with State assistance

Impacts of Cape Fear River Shipping Channel

- The present day Wilmington Harbor Sand Management Plan from the prior channel deepening project in 1999-2000 does not fully mitigate the impacts of the existing authorized federal channel located at the entrance to the Cape Fear River
- To increase depth of channel, its width will also be increased. The existing channel alignment is exceptionally close to BHI
- The orientation and flow within the existing channel currently impacts West Beach on BHI
- BHI invested more than \$8 million in 2015 to install the first terminal groin in decades in NC. The 1,300-foot rock structure, designed for the current channel depth, helps hold sand on BHI’s South Beach, reducing the frequency of dredge operations at that location necessary to maintain channel depth.
- Village taxpayers are currently subsidizing a \$15 million beach fill to meet requirements mandated by the terminal groin rock structure and to replace 13 textile groins that, coupled with the terminal groin, help keep sand on the beach and out of the channel.
- The homes that generate the greatest property taxes and accommodations taxes are located on and near BHI’s South Beach. Additional erosion from deepening and widening the channel will impact South Beach, impacting homes and infrastructure. The consequence is a potential significant reduction in the number of income-generating properties on the island. Without adequate project-related mitigation to West Beach and South Beach, the result will harm critical nature habitat, roads, homes and infrastructure
- Over \$47,149,133.00 spent to date by Village on erosion mitigation (*See attached costs list*)

**Bald Head Island
Mitigation Costs of Navigation Channel Impacts**

The Terminal Groin Project (2015)

- Terminal Groin GO Bond Expenditures @ 2-28-18 (2015 Project)
(Phase I Construction/Orion w/ Corps 2015 O&M Sand)
 - Terminal Groin Construction, part of the T6 project, placing approximately 1 million for the fillet sand to place behind the T6 structure \$ 7,876,858
 - Harbor Jetty Extension w/ Spurs \$ 1,456,316
 - West Beach and Row Boat Row (Bald Head Creek Dredging) \$ 1,261,026
 - Army COE Reimbursement \$ 105,341
 - MECA Reimbursement 830,514
 - Contract Reimbursements 140,363
 - Total \$ 1,076,218 \$ (1,076,218)
- Total Cost, Phase I \$ 9,517,982
- Breakwaters Project:
 - Construction of two detached rock breakwaters located north of the Marina
 - Intercoastal Maine, LLC \$ 895,052

Current Projects

Sand Re-nourishment / Groin Tube Project (2019)

- Sand Re-nourishment / Groin Tube Replacements (2019 Project)
(Phase II Construction/ SJ Hamill Construction, Bradley Textile Tubes)
 - Beach Nourishment 1million cubic yards, including mobilization \$ 11,767,000
 - Groin Tube manufacture and installation 1,514,429
 - Engineering Costs, entire project 445,000
 - Legal Costs \$ 62,500
- Total Cost, Phase II \$ 13,788,929

Marina Channel Maintenance Program

(Grant received from Department of Environmental Quality Resource Development Project to reimburse the Village for 66% of the cost, current expiration of Grant May 2019.)

- Village portion of expenses paid for Dredging the Channel:
September 2017 – February 2019: \$ 68,857

**Bald Head Island
Mitigation Costs of Navigation Channel Impacts**

Beach Monitoring

- Seasonal and monthly monitoring surveys FY19 to March 2018 \$ 105,440

Total Accumulated Costs Associated with the Mitigation of the Navigation Channel \$47,149,133.