

Dredging Jurisdiction & Funding

House Select Committee on Strategic Transportation
Planning and Long Term Funding Solutions

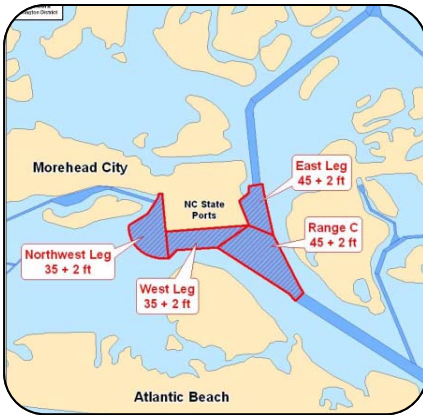
August 22, 2016



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A Staff Agency of the North Carolina General Assembly

Federal Jurisdiction

(“Federally Authorized” Channels/Inlets)



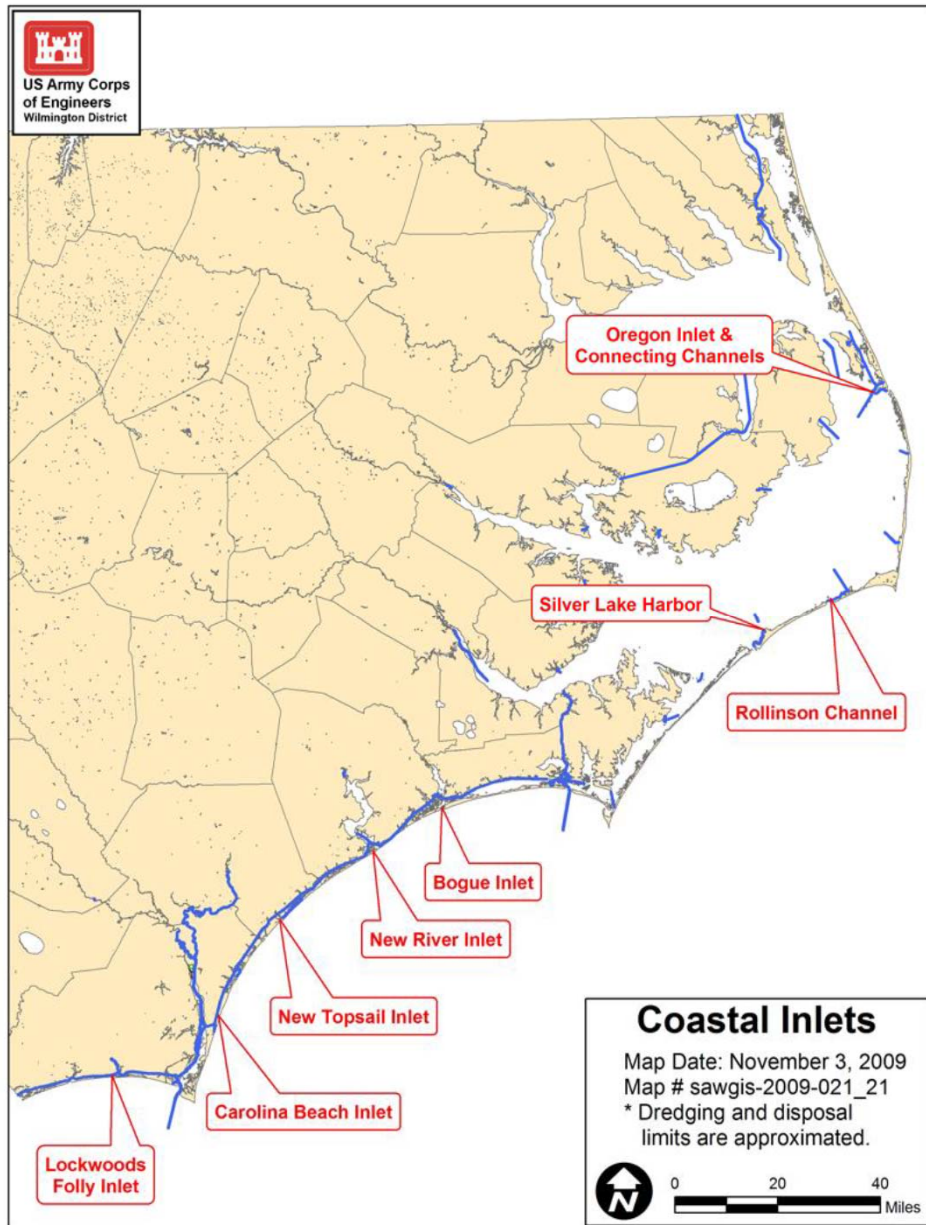
Deep Draft (Commercial)

- $> 15'$ authorized depth
- Wilmington (42') and Morehead City (45') harbors (excluding port berthing areas)



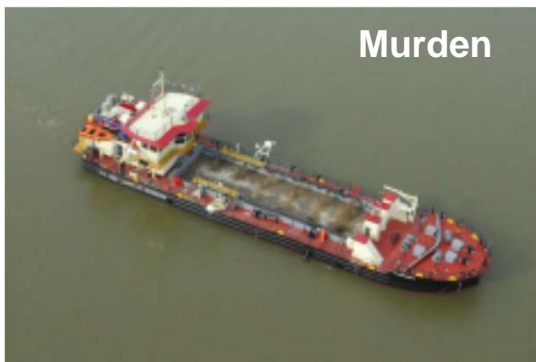
Shallow Draft (Commercial/Recreational)

- $\leq 15'$ authorized depth
- Connecting bays and river entrances to Atlantic Ocean
- Atlantic Intracoastal Waterway (AIWW) and side channels



Shallow Draft Inlets Depth

- Oregon Inlet 14' + 2'
- Manteo Interior Channels 12' + 2'
- Rollinson (Hatteras) 10' + 2'
- Silver Lake (Ocracoke) 18', 12' + 2'
- Bogue Inlet 8' + 2'
- New River Inlet 6' + 2'
- New Topsail Inlet 8' + 2'
- Carolina Beach Inlet 8' + 2'
- Lockwoods Folly Inlet 8' + 2'



	Currituck	Merritt	Murden
Built	1974	1964	2012
Type	Special (Hopper)	Sidecaster	Special (Hopper)
Use	Exposed channels, larger rivers and inlets (mobile) Surf zone deposit	Exposed channels/inlets (shallow & unstable)	Exposed channels, larger rivers and inlets (mobile) Surf zone deposit
Material	Heavy sands	Loosely compacted, coarse-grained	Heavy sands
Draft, Loaded	8'	6'	9'
Discharge Pipe	N/A	12" diameter 80' + 10' long cast 100'	N/A
Hopper Capacity	315 cubic yards	N/A	512 cubic yards
Dredging Depth	5' – 20'	6' – 25'	5' – 20'

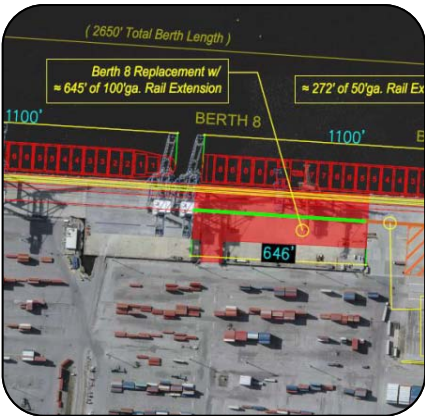
State Jurisdiction

(NOT “Federally Authorized”)



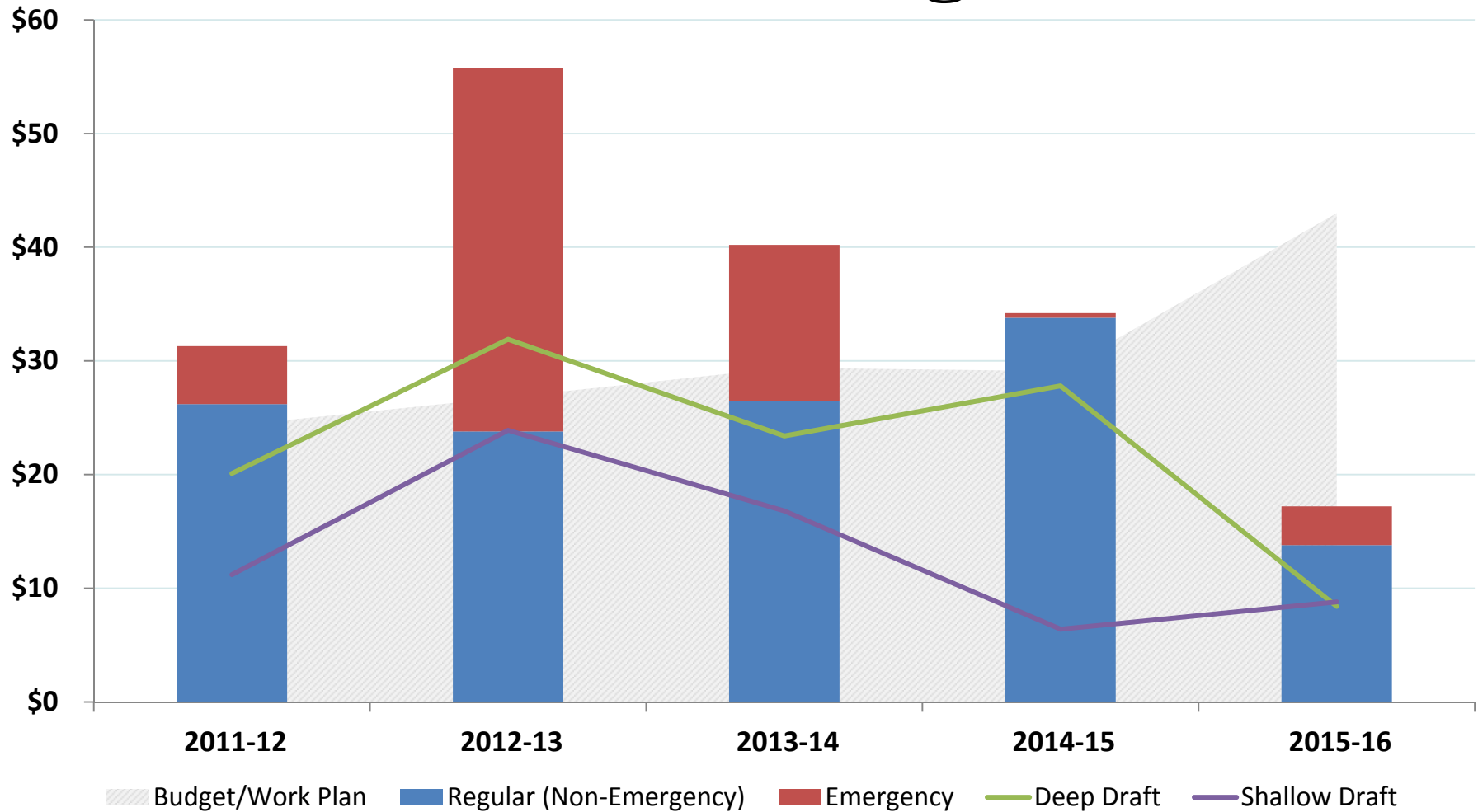
Ferry System routes and connections to federal channels/inlets

Image credit: Virginian-Pilot, Drew Wilson



State Ports Authority berthing areas

Federal Funding (\$M)



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State Response

Long-term Memorandum of Agreement (MOA)

- Initial 5yr. term through September 2017
- Covers all “federally authorized” shallow draft inlets
- \$4M non-federal contribution per FFY
- 1:1 State/local match expectation

New Funding Sources

- Shallow Draft Navigational Channel Dredging & Lake Maintenance Fund
- Highway Fund (State Ports Authority)

Amended MOA (7/2016)

- Non-federal contribution increased to \$12M per FFY
- MOA extended through 2026



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Shallow Draft Dredging Fund

(G.S. 143-215.73F)

Sources: 50% of vessel registration fees (G.S. 75A-3; 75A-5), \$10 of vessel certificate of title fees (new/transfers), and 1% of motor fuel tax revenue allocated to the Highway Fund (increased from 0.17% in 2015)

Match: 1:3 for tier one development areas, otherwise 1:2

Amount: \$33.2M deposited, \$15.0M expended, \$6.9M encumbered

Projects: 24 MOA, 19 WRDG, and 4 awards expected this quarter

- ✓ Channel dredging/breakwater repair (Kitty Hawk)
- ✓ Mason Inlet/AIWW crossing (New Hanover)
- ✓ Wainwright Slough (Carteret)
- ✓ Bulkhead Channel (Beaufort)



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	FY 2013-14 ¹	FY 2014-15 ²	FY 2015-16 ³
Starting Cash Balance	-	3,700,702	8,147,203
Expenditures	895,135	5,480,222	8,672,945
Dredging Projects	595,135	5,437,835	8,355,031
Aquatic Weed	-	42,387	317,914
Pass-thru	300,000	-	-
Receipts	4,595,837	9,926,723	18,629,172
Gas tax (Highway Fund)	603,216	4,023,388	10,917,809
Boating fees	3,527,970	5,026,335	3,407,460
Local match ⁴	164,651	777,000	2,699,485
General Fund (Appropriated)	-	-	1,579,268
Other (rebates, pass-thru, etc.)	300,000	100,000	25,150
Ending Cash Balance	3,700,702	8,147,203	18,103,430
Encumbrances	1,000,000	3,755,994	6,890,003
Availability	2,700,702	4,391,209	9,066,030

¹ Boating fee changes were effective 10/1/13.

² S.L. 2014-100, Sec. 14.19 amended the Fund to allow aquatic weed control projects, changed the tax distribution from annual to quarterly and provided an additional \$1.67 million in gas tax proceeds on a one-time basis to "make up" the difference from the previous fiscal year.

³ FY 2015-16 amounts do not include 4th quarter gas tax receipts pending remittance from DOR.

⁴ Local government match is project-specific.



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State Ports Authority

\$35M recurring (Highway Fund) for modernization

- Flexible, NCSPA prioritization
- Current projects:
 - Wilmington Harbor turning basin expansion
 - Morehead City inner harbor maintenance dredging
 - Wilmington Harbor Deepening Feasibility Study



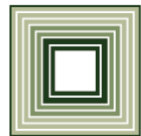
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Questions?

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