



The Outer Banks Chamber of Commerce

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March 23, 2011

The Honorable Kay Hagan
The Honorable Richard Burr
United States Senate
217 Russell Senate Office Building
Washington, D.C. 20510

Dear Senators Hagan and Burr:

On behalf of the more than 1,000 members of the Outer Banks Chamber of Commerce in Dare, Currituck and Hyde Counties, I write to request your help in securing adequate dredging funds for Oregon Inlet in the upcoming FY 2012 budget process.

As you know, the maintenance budgets for Oregon Inlet have been decreasing at an alarming rate for several years now. Last year President Obama recommended only \$4.095 million for maintenance of the inlet which allowed only piecemeal dredging by federally-owned Corps of Engineers dredges. The budget didn't allow for needed contracts for bigger dredges that could have cleaned out the inlet and made it safe. And now, much to our chagrin, President Obama has once again recommended a limited dredging budget of only \$1 million for the next fiscal year. This level of funding will keep the local Corps of Engineers survey office open - and nothing else. A \$1 million budget allows for no dredging at all at Oregon Inlet. Obviously, the White House does not understand the importance of the needs of our area, commercial and recreational fishing fleets, and the tourism industry of northeastern North Carolina.

The President's low budget recommendation will lead to job losses and economic hardships. Dare County is now the state's largest commercial fishing port based on both poundage and value of landings. If Oregon Inlet is not maintained, the commercial fishing fleet will be forced to travel longer distances to the Atlantic, or will leave the area completely. Without safe access to the Atlantic, area fishing tournaments will shut down. If the inlet is not properly dredged, our charter and recreational fishing fleets will be forced to move elsewhere, as will the tourists that visit the area to go offshore fishing.

We feel a larger dredging budget for Oregon Inlet can easily be justified when the waterway's economic impact is considered. According to a 2006 study of the economic benefits of Oregon Inlet, the annual benefit of Oregon Inlet to Dare County and the surrounding region is \$682,705,637. This includes benefits from the commercial fishing (\$7,152,357), seafood packing and processing (\$33,425,367), boat building and support services (\$139,841,563), and recreational fishing and

tourism (\$502,286,350) sectors. While the numbers for the boat building industry have dropped in the last three years, the overall impact is still very substantial.

An increased dredging budget is a vital conduit for mariners seeking harbors of refuge. Oregon Inlet is the only deep-water access to harbors of safety for commercial and recreational vessels for a distance of 220 miles along the eastern seaboard. Recreational and commercial boaters and fishermen alike depend on the waterway to reach safe harbors in times of bad weather. In addition, the US Coast Guard depends on the inlet for its response to maritime distress calls from its Oregon Inlet station.

The impact of a shrinking or disappearing inlet isn't just an economic problem. If the inlet closes, then nature will blow out another inlet somewhere along the coast. Because there is no way to determine where an inlet might occur, it is quite possible that it could create significant damage and possibly even loss of life. Although the breach created by Hurricane Isabel caused damage and inconvenience, just a couple of miles farther north or south could have been disastrous.

It is imperative that there is an in- and out-flow for the waters of the Albemarle, Pamlico, Currituck and Croatan sounds. Without a constant exchange of water, the combined sounds have no way of flushing and therefore affecting the ecosystem. Many species of fish and other marine life that need both the ocean water and freshwater in order to spawn and complete other stages of their life cycles are impacted without access to and from the ocean.

This issue can't just rest at the feet of the president. The Congress needs to fund a long range plan to ensure the viability of the inlet so that keeping it open isn't always a stop-gap situation responding only to crisis situations.

I write to ask that you do whatever you can to increase the FY 2012 maintenance budget for Oregon Inlet to at least \$12 million. When you consider the economic impact the waterway has to our area, it seems logical that maintenance dredging levels remain appropriate.

Sincerely,

A handwritten signature in black ink, appearing to read "Robin A. Mann", with a long, sweeping underline.

Robin A. Mann, Chair
Outer Banks Chamber of Commerce
Board of Directors



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March 23, 2011

The Honorable Warren Judge
Chairman
Dare County Board of Commissioners

Dear Mr. Judge:

On behalf of the more than 1,000 members of the Outer Banks Chamber of Commerce, I wish to let you know of our deep concern over reports that no funding has been allocated for this summer or FY 2012 for the maintenance of Oregon Inlet. We are very troubled by reports that the US Coast Guard is considering pulling the aids to navigation at the waterway due to its hazardous conditions.

The Chamber's understanding is that President Obama has recommended only \$1 million for FY 2012. This is just enough to keep the COE survey team on site, nothing else. It provides no maintenance dredging at all and makes it obvious that the White House doesn't understand the inlet's economic importance and what it means to the county, region, and state.

Dare County now serves as the largest fishing port (poundage landed and monetary value) of anywhere in North Carolina. If Oregon Inlet is not maintained, the fishing fleet will be forced to travel longer distances to get to the Atlantic, or will leave the area completely. Without safe access to the ocean, area fishing tournaments will shut down. If the inlet is not properly dredged, the charter and recreational fishing fleets will be forced to move elsewhere, as will the tourists who visit the area to go offshore fishing. And property values in Dare County will drop when property owners who purchased property in boating developments can no longer access the Atlantic for recreational and fishing purposes.

But the issue doesn't just lie at the feet of the president. The Congress has the power to fund a long-range plan to ensure that keeping the inlet open isn't always in crisis mode and thus dependent on stop-gap measures.

The Chamber feels a larger dredging budget for Oregon Inlet can easily be justified when the waterway's economic impact is considered. According to a 2006 study of the economic benefits of Oregon Inlet, the economic benefit of Oregon Inlet to Dare County and the surrounding region is \$682,705,637. This includes benefits from the commercial fishing (\$7,152,357), seafood packing and processing (\$33,425,367), boat building and support services (\$139,841,563), and recreational fishing and tourism (\$502,286,350) sectors. While the numbers for the boat building industry have dropped in the last three years, the overall impact is still very substantial.

| | Commercial Fishing Processing | Seafood Packing & Services | Boat Building & Support Fishing & Tourism | Recreational | Total Impact |
|---|----------------------------------|----------------------------------|--|---------------|---------------|
| Output¹ | \$7,152,357 | \$33,425,367 | \$139,841,563 | \$502,286,350 | \$682,705,637 |
| Employment² | 90 | 238 | 1,235 | 8,288 | 9,851 |
| Wages/Salaries/ Proprietor Profits³ | \$2,720,657 | \$7,112,340 | \$45,669,308 | \$209,700,831 | \$265,203,136 |
| Rent/Corp Profits⁴ | \$1,344,828 | \$1,384,746 | \$22,434,526 | \$69,375,235 | \$94,539,335 |
| Fed Govts State/Local Govts⁵ | \$895,555 | \$2,149,376 | \$7,441,012 | \$34,978,165 | \$45,464,108 |
| | \$488,250 | \$890,092 | \$4,806,248 | \$37,460,831 | \$43,645,421 |

¹ Output/Business Activity Impacts (2005 \$ s).

² All jobs, full-time and part-time.

³ Wages/Salaries/Sole Proprietorship/Partnership Income Impacts (2005 \$ s).

⁴ Rental Income and Corporation Income Impacts (2005 \$ s).

⁵ Government Tax and Fee Revenue Impacts (2005 \$ s).

Considering the issue of safety, it is apparent that Oregon Inlet must remain open. The waterway is the only deep-water access to harbors of safety for commercial and recreational vessels for a distance of 220 miles along the eastern seaboard. In addition, the US Coast Guard depends on the inlet for its response to maritime distress calls from its Oregon Inlet station.

Homeland Security should be as concerned as the Coast Guard because without access to the Atlantic needed to respond quickly, the Coast Guard can not do its part in ensuring the safety of the coast and the nation.

The impact of a shrinking or disappearing inlet isn't just an economic problem. If the inlet closes, then nature will blow out another inlet somewhere along the coast. Because there is no way to determine where an inlet might occur, it is quite possible that it could create significant damage and possibly even loss of life. Although the breach created by Hurricane Isabel caused damage and inconvenience, just a couple of miles farther north or south could have been disastrous.

There has to be an in- and out-flow for the waters of the Albemarle, Pamlico, Currituck and Croatan sounds. Without a constant exchange of water, the combined sounds have no way of flushing and therefore affecting the ecosystem. Many species of fish and other marine life that need both the ocean water and freshwater in order to spawn and complete other stages of their life cycles also are impacted without access to and from the ocean.

I write on behalf of the Chamber's membership to ask that you do what you can to try and find needed funding on the local, state, and federal levels for this summer and FY 2012. When you consider the economic and safety impact as well as the environmental issues the waterway has to our area, it seems logical that maintenance dredging levels remain appropriate.

Sincerely,

A handwritten signature in black ink, appearing to read "Robin A. Mann". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robin A. Mann, Chair
Outer Banks Chamber of Commerce
Board of Directors



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April 1, 2011

The Honorable Richard Burr
United States Senate
217 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Burr:

On behalf of the more than 1,000 business members of the Outer Banks Chamber of Commerce, I am writing to keep you updated on the dire situation that our commercial and charter fishing boats are experiencing while trying to navigate the channel at Oregon Inlet.

The trawlers in the Dare County commercial fleet are now unable to pass through the waterway. They must now either relocate (many to Virginia) or steam down to Beaufort, NC to reach the Atlantic. For the fleet that fishes from Dare County, Virginia, and points north, this means an additional 24 hours of steam time to and from Beaufort, NC per trip.

The charter fleet is also now in peril of having to relocate with their busy season just around the corner. Some will operate out of Hatteras and ports South on the North Carolina coast. Many will relocate out of state. Two new shoals have formed just east of the navigational span of the Bonner Bridge, so the spans remain blocked. Some boats have considered using spans further down the south half of the bridge, but this is extremely perilous to both the boats and the bridge and negates boat insurance coverage in some instances. For these reasons, most are still trying to use the navigable channel underneath the bridge span or not venturing out at all.

A local boat builder contacted the Wanchese Seafood Industrial Park asking the status of the inlet. He stated he would have a larger boat fishing in and out of Wanchese harbor in about a month and he needed to have something to tell them about the status of the Inlet. Right now, this local boat builder will probably tell the vessel to go somewhere else due to inlet conditions. The current inlet situation will have a devastating effect on the charter and fishing tournament season.

The final few weeks of the commercial trawler season have already been lost. Without some immediate assistance, the charter and recreational fishing fleets will also lose substantial income. We need your help now. Please contact me if you need additional information.

Sincerely,

Robin A. Mann, Chair
Outer Banks Chamber of Commerce
Board of Directors

cc: Gov. Beverly Perdue
Sen. Stan White
Rep. Tim Spear
Dare County Board of Commissioners