

**MINUTES OF THE SPECIAL TOWN COUNCIL WORKSHOP MEETING
HELD ON APRIL 20, 1999**

I. CALL TO ORDER AND ROLL CALL

The meeting was called to order on Tuesday, April 20, 1999, at 5:34 P.M. by President Pro-Tem Allen Wyett, at St. Edward's Parish Hall. The following Elected Officials were in attendance: Mayor Paul Ilyinsky, President Lesly Smith, President Pro-Tem Allen Wyett, Councilmen Jack McDonald, Sam McLendon, and Leslie Shaw. Others attending the meeting from the Town of Palm Beach were: Town Manager Robert Doney, Assistant Town Manager Peter Elwell, Town Attorney John Randolph, Public Works Director Al Dusey, and Deputy Town Clerk Susan Eichhorn. Mr. Dave Decker, Vice President Applied Technology & Management, Inc. (ATM), was also in attendance.

II. APPROVAL OF AGENDA

The Agenda was approved as printed.

III. COMPREHENSIVE COASTAL MANAGEMENT PLAN UPDATE AND RELATED MATTERS

A. TOWN STAFF OVERVIEW

Assistant Town Manager Peter Elwell summarized the plan as follows: He explained that the question being addressed today was how extensive of a program the Town would be willing to pay for, after weighing the anticipated costs and benefits. He would describe the process by which the plan was formulated, as well as what was recommended in the plan itself to create a base of knowledge from which all could consider what was before the Town. The residents of the community, and ultimately the Town Council, would need to weigh and decide if the accrued benefits would be worth the substantial investment required.

Mr. Elwell began his presentation stating that the problem was serious beach erosion, which had occurred through the Town. The beach was not only an aesthetically pleasing and recreational resource, and was also the first line of defense to protect upland properties. After decades of beach erosion, some areas of Town were now dangerously short of sand. He presented slides of areas that were seriously eroded, explaining that erosion was caused by the presence of Lake Worth Inlet at the north end of the Island. Over the years there had been a tremendous loss of sand to the beaches of the Town because of what was trapped north of the Inlet. Sand was also lost during major storms, and over the course of time it was necessary to take action to replicate what would have been a natural process to rebuild the beaches. The Comprehensive Coastal Management Plan Update was a document which was a center of discussion, and were the recommendations of the consultants and the Shore Protection Board for implementation to protect the entire shoreline of the Town. The Plan had been authorized by the Mayor and Town Council, completed in approximately one year, fully reviewed and put in final form, and recommended by the Shore Protection Board, after hearing from twelve well-recognized professionals in the area of coastal protection and engineering. The process had been a total of three years in order to bring the inlet to inlet plan to the community. Most coastal engineering projects had historically focused on particular areas that were subject to serious erosion and needed intervention. Specialists had defined the importance of the inlet to inlet plan, which would allow smoother permitting processes, as well as make the projects more likely to be cost effective in the long run. The plan was based on an engineering analysis of the shoreline, and also addressed environmental issues, such as sea turtle protection and near shore rock. In the shallow waters that were just off the Town shores there were many areas where there was exposed rock in the shallow areas of water, which were habitats for sea creatures, which must be protected as well. The plan was divided into reaches, or areas that were distinguished as a result of erosional rates, environmental conditions or differences in property ownership, with eight reaches being located in the Town. The benefits the Town could expect to receive as a result of the plan were primarily protection of upland property. Slides were shown of the mid-Town Beach restoration project. Other related community benefits to these projects were aesthetics, property values, tax and non-tax revenues to the Town, the general image of the Town, and recreational benefits. Applied Technology & Management (ATM) was selected through a competitive process that the Town went through. Because of the magnitude of the plan there was Peer Review conducted by Aubrey Consulting, who conducted the Peer Review, and raised several issues and criticisms, particularly in regard to the implementation of the plan as opposed to the actual methodology of the plan. The two engineering firms then got together and worked on how they viewed the plan differently, and arrived at a point of resolution, and sent a mutual letter to the Town on August 25, 1998 advising that Applied Technology & Management and Aubrey Consulting agreed upon the recommendations presented in the recently completed update of the Comprehensive Coastal Management Plan. The conclusion of the Peer Review was that the plan was an appropriate plan for the Town. The plan is based on preliminary engineering, and recommends

the types of projects that ought to be pursued in different areas of the Town and does not recommend exactly what ought to be constructed and does not have exact costs, but contains estimates. The entire ten year program was estimated at \$48.5 million for the projects recommended within the Town. The thirty year program, including maintenance and financing them, was estimated at \$108,500,000. For purposes today, the \$48.5 million program would be discussed. The bare minimum that the Town ought to continue to do is the mid-Town project, as it is an existing investment of the community, and the permit conditions require maintenance. If the Town walked away from the project and did not maintain it, over time the groins that were constructed would begin to trap sand, and because of the harm that would be caused by that the State would require the Town to remove the groins that were constructed. Staff would recommend the public beach areas also be maintained by the Town, and that a responsible minimum level of a program to consider would be the \$17.2 million required to maintain the mid-Town project, to pursue a beach restoration project at Phipps Park, and continuing to implement the Lake Worth Inlet Management Plan. Those three pieces would cost an estimated \$17.2 million over the ten year period. Beyond that, but short of implementing the entire \$48.5 million plan, there were several choices that the community could make, which would involve four additional projects on a priority order basis determined by engineers. There were two different considerations on the overall \$48.5 million plan; a ten year plan, and an accelerated three year construction project for approximately the same amount of money. Funding could be accomplished in several different ways, and the two recommended were a straight ad valorem tax, and a benefit based assessment program in combination with ad valorem. The total cost of the program could be substantially reduced by assistance from other governments. The Shore Protection Board had recommended that the Town be prepared to proceed using only Town money, and then seek reimbursement where it may be available from Federal, State, or County governments. The inlet to inlet approach could benefit the entire community, however, a very substantial financial investment would need to be made. Public comments were now heard.

B. PUBLIC COMMENTS

President Smith introduced the members of the Shore Protection Board who were present at the meeting, and who had spent three years researching information in order to determine a plan for coastal management. She explained that the purpose of the workshop was to get the input of the public so that the Shore Protection Board and the Town Council would know the feelings of residents. She noted that she had received a letter from Mr. Martino stating that he believed that there was some confusion as to the purpose of a committee called "SOS - Save Our Shores." She explained that they were an independent committee, organized on their own, and were not part of the Town Council, nor appointed by the Town Council, but were following their own direction in informing people about the shore plan.

Mr. Gary Lickle, former chairman of the Shore Protection Board, commented that the Shore Protection Board had spent three years attempting to try and put some scientific value and some expert opinion as to what could be done to fight erosion in Palm Beach. The Shore Protection Board had considered the idea of letting nature take its course, and concluded that was not an option. There was now a comprehensive approach to the problem, which was what had been heard today. In the past there had not been a comprehensive approach, and there was now the endorsement of the County, and State. The Federal government had gotten out of the business of shore protection, and was pushing the responsibility to the State. He explained that the State now had a \$20 million fund that was available this year for shore protection projects. He pointed out that the cost of the project had been evaluated on a worst case scenario basis, and some of the numbers would be reduced. The proposal from the State and County would be almost \$27 million of the \$48 million figure. That would equate to roughly \$400 per year on a \$1 million assessed home. He gave the examples of Miami Beach, Delray, Deerfield Beach, Amelia Island, Captiva Island, and Long Boat Key as successful projects, as well as the mid-Town beach project. He advised that information was available for the public in order to evaluate the project. He explained that experts had determined that the projects would last longer and cost less if the major project was done, which was the way it had been planned, so that there would not be additional parking/access problems. If only private areas were done, and public money was requested, there would be strings attached for additional parking/access. He noted that opinions would be heard saying that the plan was poppycock, and that seawalls (armament) were the answer. He explained that armament did work, if it was the desire to have a Town built with seawalls, although they would eventually become undermined as a result of the waves. At this point, he displayed the video of the October 1991 storm waves that hit the Palm Beach coastline, which showed what happened when there was no beach in front of a seawall. He summarized that after listening to experts, the Shore Protection Board had concluded that the project was the best medicine known today; even though it was not a one-hundred per cent cure, it was the best technology available. He urged that all residents educate themselves about the facts of the program.

Ms. Betsy Strasser commented that her concerns were with the amount of vegetation in the plan, if the plan was only a renourishment, would it run over budget, and she questioned whether a bond issue been considered.

President Smith explained that all questions would be responded to at the end of the meeting.

Ms. Leslie Westoff referred to a letter in the "Shiney Sheet" which said that most coastal engineering theories used the river of sand model, which said that all beach sand flowed from north to south, and that sand was governed by on-shore/off-shore circulation cells, and she wondered if the engineers were correct about the project.

Mr. Joel Martino, former member of the Shore Protection Board, stated that he had a very different perspective and understanding than what had been heard from Mr. Lickle and Mr. Elwell. He explained that the plan should be used as a resource for questions, so that its accuracy and usefulness could be improved. He gave an example of questionable areas, in that the plan's preliminary estimates did not reflect all of the significant cost categories, as management

overhead, bond underwriting, structure maintenance, and contingency reserves had not been included. The estimated cost for the entire program should be set forth in a true 30-year annual format, with results expressed both in present and future dollars. There was also a vastly differing proposed construction schedule. There were also other significant open issues, such as the low benefit reaches No. 2 and 5, which were major projected cost components and for which reconstruction was questionable. Mr. Martino submitted 79 petitions from residents asking that the issues presented in the petition be addressed completely and with thorough documentation. He stated that it was his opinion that when all of the financial data was presented in a credible and complete manner, almost everyone would want to proceed with some major effort to replenish the most badly eroded beaches. He stated that he believed the disagreements thus far were caused mainly by a lack of appropriate information. He urged that all information be furnished, and submitted the petitions for the record.

Mr. Eric Nord Gilbertson commented that the Shore Protection Board and the SOS group used scare tactics, and that most of the seawalls were in place, with enough sand to protect them, except for a few hot spots which should be attended to immediately. He suggested that the Town Council direct Public Works Director Al Dusey to get busy on the hot spots immediately.

Mrs. Eileen Curran commented that SOS was a designation that was used by the Save Our Shoreline organization. SOS was a non-profit 501(c)(3) foundation, incorporated in the State of Florida. The officers of SOS were Richard Raffo, Eileen Curran, Murray Goodman, and Norton Rosenberg. The SOS foundation was established for one purpose: to educate the citizens of the Town of Palm Beach about shore protection issues. To accomplish this mission, SOS was alerting the public about the critical erosion of our shoreline. The SOS was providing information to residents about possible solutions. The solution supported by the SOS was derived from the research and conclusions made by the Shore Protection Board, and were based upon the recommendations of Applied Technology & Management, Inc., with a peer review by Aubrey Consulting.

Mr. Norton Rosenberg presented a financing plan for the project, stating that the State of Florida had offered \$25.5 million, the County had offered \$2.1 million, and the Town would have to contribute \$25.2 million. This equated to \$75 per year of every \$100,000 of assessed evaluation to be paid by each property owner for a period of seven years. If this was done through ad valorem taxes, the cost of the tax could be a tax deduction on Federal tax returns. SOS recommended this plan, however, there had been some derogatory remarks about this plan in the Palm Beach Daily News, therefore, SOS provided an alternative plan based on the proposal that the State and County would not give anything, resulting in \$97 on a ten year basis, per \$100,000 of assessed valuation. SOS believed that was the worst case scenario, however, there were many other alternatives. Mr. Rosenberg used the example of Amelia Island, where hotels charged a certain percentage of room charges to collect money from tourists, and Hilton Head Island, which covered its entire cost for beach renourishment through temporary renter charges and hotel charges.

Dr. Blair, Vice President of The Reef Condominium, commented that many mistakes had been made in the past which had resulted in the current situation, such as the Inlet in 1920, dredging of the canal, piling of sand on the north end of the Island, the installation of groins between Sloan's Curve and Widener's Curve in the 1980's, and the 1995 groins which further blocked migration of sand to the southern part of the Island. He urged that plans move forward for a shore plan, noting that Palm Beach was rated as the worst eroded island.

Mr. Gerry Frank commented that he lived in Palm Beach, as well as on another shoreline in New Jersey, and that beach restoration was not anything new. He gave assurance that beach restoration would work, largely because of the mistakes made in the past. The beaches would be better if the recommendations in the Comprehensive Coastal Management Plan were followed. He mentioned that New Orleans has 130 miles of levies and 112 pumps to protect it, and that cities along the Mississippi River were protected by 2,200 miles of levies. He stated that there would be problems with any plan, but urged that the Island be protected for the generations to come.

Mr. Joe Gurney commented that he agreed with Mr. Frank, and urged that the problem be addressed. He questioned why there was no recommendation for any projects below Lake Worth in that area which was still Palm Beach?

Mr. Murray Goodman, 911 North Ocean Blvd., commented that he had lived in Palm Beach for 27 years, and when he had first purchased the property the beach was approximately 150' deep at high tide, and now at high tide one cannot walk along the beach. He maintained a 24' seawall in front of his property, and advised that during the October storm, waves had gone over the wall. He strongly supported the proposed plan by the Shore Protection Board, and noted that, as an ocean front property owner, he would certainly pay more than his fair share.

Ms. Lynne George, resident for 33 years, commented that she was confused about the way the project would be financed - if the plan was changed to a 3-year plan, how much more expensive would that be, and if there was already \$17 million to do the portion of the plan that would be done anyway, why would that be financed in the \$48 million?

Ms. Shirley Persky, 3200 S. Ocean Blvd., asked what the plan would do to the rocks outside of her property? The rocks inhibited access to ocean bathing, and she questioned if the plan would make a difference for those suffering with the rocks?

President Smith explained that Dr. Lilja had mentioned at the beginning of the meeting that he had a 20-minute presentation and would go last. She asked that anyone who had any short comments or remarks make them now, before the presentation of Dr. Lilja.

Mr. Richard Raffo commented that he had lived in Palm Beach for 30 years, and showed a film of what the beaches should look like. The film included Atlantic Beach, Long Island, and Long Beach, Long Island, where there were sand retention structures on the beaches. He stated that the assessed valuation of the Town of Palm Beach was \$5 billion, and the proposed plan would spend less than 1% of that; and if the State and County provided funding, it would be less than that.

Mr. Chip Moffett, former Vice-Chairman of the Shore Protection Board, and member of the SOS group commented that there was much mis-information concerning this matter, and he urged that the web-site be utilized, and that people educate themselves.

Dr. Sten Lilja began his presentation stating that he was in favor of protecting the coastline and fixing the public beaches, but could not accept the consequences of the proposed plan. He stated that he was for depositing sand to protect the seawalls, but not for creating large beaches. He suggested that as much funding as possible should be requested for the public beaches, but the fine print should not be ignored. The Mid-Town and Phipps Park beaches must be brought into a condition to be proud of, which was an obligation to both residents and visitors. Action must be taken in a sensible and technically appropriate manner. The Mid-Town restoration in 1995 was a good example. The beach lost 33% of the new sand in just 2 ½ years, and it was already being proposed that another large quantity of sand be placed there in the year 2000. The 1995 estimate was 600,000 cubic yards, but under-estimates forced the Town to actually put on 882,000 cubic yards, which amounted to 47% more than estimated.

Dr. Lilja continued that more sand on the beaches would not provide any additional storm protection for upland property and roads, beyond what the seawalls do already. Sand would only protect the seawalls, and to allege that sand would provide storm protection for upland property, and to claim that allegation as justification for creating wide, sandy beaches was misleading. He maintained that residents were being given very meager cost information and in a complicated format. He explained that the figures given did not correspond to what the taxpayer needed to know. He explained that the plan provided that more than 15 million cubic yards of sand would be used over a 30-year period, which did not allow for under-estimates, as the Peer Review had indicated. More sand may be needed, possibly much more, since there was a 47% under-estimate at Mid-Town in 1995.

Dr. Lilja urged that the Peer Review recommendations be followed to eliminate the risk of having complaints in the future, and to tabulate future value, because it was not certain when funds for the Plan would be secured. He displayed a visual displaying the estimated cost figures based on 1997 values, and showing the costs for the entire Inlet to Inlet Plan. He explained that to estimate the costs to the Town of Palm Beach, 90% of any figure could be taken. He indicated costs projected for the year 2001, to 2030, at a low inflation rate of 3%.

Dr. Lilja addressed the overfill factor, which was a tool to adjust the estimate for extra sand that would be needed because of poor sand quality, which the Peer Review indicated may be too low. Under-estimates of the overfill factor, as well as higher erosion rates, would greatly affect the costs of the plan. In addition, there was no provision for maintenance and repair of structures and groins, although the Plan called for such work. There was also no provision for inevitable unforeseen costs or severe storm damage, or for management costs, which could easily reach \$10 million over 30 years. If issuance of bonds was used for funding, there would be additional costs of bond interest.

Dr. Lilja urged that caution be used concerning beach access and parking issues. He explained that the State of Florida had created the concept of an Erosion Control Line (ECL), and that whenever there is a beach restoration project, the law required that the prior Mean High Water Line be recorded as an ECL, to remain in force in perpetuity. Any beach seaward of the ECL would become State sovereign land, and as such, a public beach. In addition, the private property owners on the upland side of the ECL would be required to sign an easement contract providing for construction access and the right of public use of their "private beach" in perpetuity. The net result is that the plan would create a 70' to 100' public beach along most of the Island (this would include the beaches in front of condos, private clubs and hotels). Dr. Lilja urged that very careful consideration be given before the adoption of the plan.

Mrs. Nancy Douthit commented that there was a State regulation requiring maintenance for a minimum of 50 years. She noted that the plan was only for 30 years, and maintenance would add another 60% to the already phenomenal costs. She stated that a great deal more information was needed.

President Smith commented that all questions would be answered, however, most of those asking questions had left the meeting at this time. She assured all that another beach workshop would be scheduled, probably in the Fall; in the meantime, the members of the Town Council were available to discuss concerns at any time. She thanked all for coming to the meeting.

IV ADJOURNMENT

The meeting was adjourned at 7:35 P.M.

Mary A. Pollit