

**Alexander G. Floyd
C/O Floyd Oil Company
863 Washington Street
Raleigh, N.C. 27605
floydoil@nc.rr.com**

January 31, 2013

Mr. George Vital
Area Director
USDA-Rural Development
253 S. Beckford Drive, Suite A
Henderson, NC 27536
george.vital@nc.usda.gov

State Clearinghouse
N.C. Department of Administration
1301 Mail Service Center
Raleigh, NC 27699-1301
state.clearinghouse@doa.nc.gov

RE: COMMENTS ON THE NEPA ENVIRONMENTAL ASSESSMENT FOR WASTEWATER COLLECTION AND TREATMENT SYSTEM IMPROVEMENTS, City of Creedmoor, Granville County, North Carolina, December 2012, prepared for The US Department of Agriculture-Rural Development (RD)

Creedmoor's application for funding (loans and grants) for a new WWTP with effluent to be discharged to the Tar River at Cannady Mill Bridge in Granville County should be rejected on the grounds that:

- 1) It will duplicate existing capacity at SGWASA thereby costing at least \$22,000,000 more than staying with SGWASA;
- 2) It will undermine a cost effective regional approach to water and sewer in southern Granville County increasing costs to surrounding communities which are poorer than Creedmoor; and it will take water away from Falls Lake where water is needed by Raleigh and other communities;
- 3) It will be harmful to the environment, as it will shift effluent from a man-made reservoir, which needs the water, to a site on the Tar River immediately above known endangered species.

Cost No. 1

In the EA, Creedmoor states that a new plant is estimated to cost over \$27,000,000. The cost of staying with SGWASA and participating in the required upgrade is less than \$5,000,000. As the upgrade will insure that Creedmoor has capacity for the next twenty

years based on Creedmoor's own projection of growth, the new plant will cost taxpayers over \$22,000,000 (\$27,000,000 less \$5,000,000) which would otherwise not be incurred.

Cost No. 2

SGWASA was created to provide an efficient means of handling water and sewer for the communities of south Granville County by avoiding duplication of costs and benefitting from sound, long term planning. Creedmoor currently uses SGWASA for all its water and sewer requirements. Withdrawing from SGWASA will increase costs for remaining members who will have to bear total costs with fewer members.

When Creedmoor first sought funding from USDA RD, it did not qualify because its median household income was too high – about \$60,000 as compared to \$34,000 in neighboring Oxford, \$53,000 in Raleigh and \$46,000 for North Carolina as a whole. Through political maneuvering, Creedmoor was able to obtain an exception (an “ear mark”), which was to have expired October 31, 2012 but was recently extended to March 2013. Funding a new plant for Creedmoor would permit Creedmoor to abandon SGWASA thereby increasing costs to the poorer surrounding communities who will be left to carry the full burden of cost. It would seem that this is not the objective of “rural development funding”.

A cost to Raleigh and other communities taking their drinking water from Falls Lake is the effect a new plant would have on transferring approximately 500,000 gallons per day out of the Neuse River Basin (Falls Lake) and into the Tar River Basin. Water levels at Falls Lake have been declining and communities using this reservoir need the water. For this reason, the City of Raleigh, which stated a cost of \$10,000,000 for the lost water, has written an official comment to RD on the Creedmoor EA opposing the plant.

Environment

US Fish and Wildlife Service (USFWS) has written to RD twice recently (November 13, 2012 and December 20, 2012) opposing the plant. The Southern Environmental Law Center (SELC) and Pamlico-Tar River Foundation (PTRF) wrote to RD (December 13, 2012) opposing the plant. PTRF made official comment on the USDA RD Biological Assessment on January 27, 2013 opposing the plant. These letters are incorporated by reference and their conclusions regarding the environmental impact of a discharge to the Tar River are summarized by stating that: 1) the Tar River immediately below the proposed discharge point contains two federally protected species and three others, which according to USFWS, are found no other place on earth; 2) effluent could harm the subject endangered species and the environment in which they live; and 3) USFWS, PTRF and SELC oppose a discharge to the headwaters of the Tar River anywhere in Granville County.

The EA states that there are no conservation easements East (down river) of the Cannady Mill Bridge. This is not correct. The Tar River Land Conservancy has an easement on about seventy acres owned by Ronnie Bagwell et al immediately across the river from the

proposed discharge point and extending about one-half mile downstream. This conserved land will feel the full impact of the discharge.

We are told that there has never been a discharge point approved which is immediately above known endangered species.

It is likely that this project will be tied up in litigation for years if it is permitted to go forward.

Capacity at SGWASA

The Creedmoor EA makes the claim that SGWASA lacks sufficient capacity for Creedmoor. Jim Blaine, Ronnie Bagwell and Alex Floyd met with SGWASA twice during the fall and were assured that SGWASA had sufficient capacity for Creedmoor. On January 17, 2013, SGWASA made written comment to RD disputing the claim by Creedmoor in its EA of insufficient capacity and stating that SGWASA has sufficient capacity for Creedmoor for the next twenty years based on Creedmoor's own projection for growth.

It is troubling to us that Creedmoor and The Wooten Company, who was hired by Creedmoor to prepare the EA, eliminated SGWASA from its analysis of alternatives in the first two pages of the EA as it is apparent that both Creedmoor and Wooten have access to SGWASA personnel and to capacity data and clearly know that SGWASA does in fact have sufficient capacity.

Granville County

The Commissioners of Granville County, based on the unanimous recommendation of the County Environmental Advisory Committee and other data, have adopted a resolution to oppose the Creedmoor WWTP and encourage Creedmoor to work with SGWASA.

Conclusion

It is our understanding that NEPA requires the lowest cost solution with the least impact on the environment. Construction of a new WWTP by Creedmoor with effluent going to the Tar River is neither and the application made by Creedmoor for funding should be rejected.

The proposed Creedmoor WWTP would:

- 1) Duplicate existing capacity at SGWASA and waste over \$22,000,000
- 2) Undermine a cost effective, regional solution to water and sewer and be harmful to poorer surrounding communities
- 3) Harm known endangered species and their environment.

Surely there are other projects more deserving of scarce taxpayer dollars than this.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Alexander G. Floyd". The signature is fluid and cursive, with a large initial "A" and "F".

Alexander G. Floyd

On behalf of the individuals listed below who are property owners in Granville County:

Jan and Alex Floyd
Christina Floyd
Alex Floyd Jr.
Jean and Jim Blaine
Arlene and Ronnie Bagwell
Lisa and Alan Powell