Mayor Darryl D. Moss and Commissioners City of Creedmoor 111 Masonic Street Creedmoor, North Carolina 27522

REF: Proposed Construction Hester Road

Waste Water Treatment Plant (WWTP)

City of Creedmoor

Dear Mayor Moss:

The proposal by the Commissioners to begin construction of a waste water treatment plant on Hester Road in the heart of southern Granville County fails to pass all standard economic and environmental "sniff tests". **The proposal is based on flawed demographic and financial estimates, and will add substantially to the tax burdens of the citizens which you represent.** Additionally, the proposed WWTP will, in all probability, bring significant increases in (already high!) water and sewer rates for folks in Creedmoor and southern Granville County. Here's why:

• **Demographics** – The City of Creedmoor plans to build the Hester Road Wastewater Treatment Plant based upon the need for 1.15 million gallons per day (mgpd) of water and sewer capacity to meet the estimated future population growth of Creedmoor.

Your Estimates for Population Growth (November, 2012)							
Area	2010	2035	Rate of Growth				
Creedmoor	4,124	11,245	173%				
Butner	7,591	12,844	69%				
Oxford	8,461	11,170	32%				
Granville County	59,916	82,974	38%				
Raleigh	403,892	934,923	131%				

It would appear to be a bit optimistic to project that Creedmoor will grow five times faster than our neighbors in Oxford and in the surrounding County! Your estimate of a 4% annual growth rate appears to be seriously flawed. Here's why:

Your Estimates for Population Growth (November, 2012)								
Creedmoor	2010	2011	2012	2013	2014	205		
Estimate	4,124	4,293	4,469	4,652	4,842	5,040		
Actual	4,124	4,150	4,187	!?	!?	!?		

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The actual growth rate in Creedmoor appears to be around 1%, not 4%.

If the Creedmoor growth rate estimate is wrong (which it already is!), the wastewater treatment plant is not needed. And, if built will **saddle the citizens of Creedmoor with a \$27 million debt** that they will find difficult to repay.

• Cost of the Hester Road WWTP – The estimated cost of the Waste Water Treatment Plant is \$27.4 million (November, 2012), which will be funded by a loan from USDA at 3.5%, for a term of 40 years. According to your estimates, the cost to provide Creedmoor citizens with water/sewer will double from \$1.3 million per year to \$2.6 million per year, if this new plant is built.

Normally if the City's cost of providing the service were to double from \$1.3 million per year to \$2.6 million per year, the citizens of Creedmoor should expect their (already high!) sewer rates to also double.

But, you state that if your population estimates are correct: "... The sewer user charge for a typical in-town customer will decrease by 73¢ per month."

It appears to be an imprudent gamble to bet \$27 million of Creedmoor folks' money for a return of $73 \, \text{¢}$. If your growth estimates are wrong, the 1,904 existing Creedmoor users of sewer/water will be left with a \$27 million tax burden. For a return of $73 \, \text{¢}$, most citizens would probably prefer that you buy lottery tickets; the odds look better and it would at least help the schools!

- Capacity of Existing System The proposal to build the Hester Road WWTP states that the current water/sewer provider, South Granville Water and Sewer Authority (SGWASA), does not have sufficient capacity to handle your projected growth estimates for Creedmoor. In a letter dated January 17, 2013 from Lindsay Mize, Director, SGWASA states that sufficient capacity already exists to meet Creedmoor's current and future (next 20 years) needs. SGWASA states that Creedmoor's needs can be met even as SGWASA works to upgrade its plant to meet the higher environmental standards on Falls Lake. The cost of the SGWASA upgrades are around \$29 million, similar to the \$27 million cost of the proposed Hester Road WWTP. Certainly Creedmoor would have some share in the SGWASA upgrade costs. Those costs are estimated at around \$3.5 million, and would result in lower per gallon costs for Creedmoor than the Hester Road plant. Wouldn't it be better to risk \$3.5 million of your constituents' money than \$27 million? The costs and risks to Creedmoor citizens are much less with SGWASA!
- Environmental Concerns The City has conducted an Environmental Assessment (EA) of the Hester Road WWTP project. Of particular concern has been the discovery of several fish and plants in the Tar River at the discharge area which are on the endangered species list. It is said that no project has ever been approved by the Environmental Protection Agency

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(EPA) where endangered species have been discovered below the discharge area. The U.S. Fish and Wildlife Service (letter of November 13, 2012) has already expressed its concerns over this project, as has the Southern Environmental Law Center (letter of December 13, 2012). Last week the Environmental Affairs Committee of Granville County Board of Commissioners (January 14, 2013) voted unanimously to not support Creedmoor's application to build the Hester Road WWTP. Even the Raleigh City Council has voted (January 15, 2013) to oppose the plant. Yet you persist at continued expense to the Citizens of Creedmoor.

- Annexation It would appear that population estimates for Creedmoor are substantially based on the ability of the City to continue to grow by annexing additional parts of the County. Given the State Legislature's recent "ban" on forced annexation, growth through this approach is no longer likely.
- Paying for "someone else's" sewer The current citizens of Creedmoor all already have excellent sewer/water service. Thank you! You are asking current Creedmoor citizens to take on a \$27 million debt to pay for sewer/water for folks that don't live here yet. And, given the flawed population estimates, may not move to Creedmoor. All the risk is on current Creedmoor residents who already have sewer and water service!
- Are you "downwind"? The proposed sewer plant on Hester Road anticipates that some treated sewer water will be sprayed upon farm fields in the County. The effect of sewer plant and spraying odors has not been clearly defined nor documented. Again, for the many folks affected, this idea also does not pass "the sniff test".
- Sewer line in your backyard? The proposed sewer plant and connecting sewer lines run for ten miles across farms and through the backyards of numerous southern Granville County residents who are not fully familiar with the Hester Road plant, nor have they received direct individual notification from the City of Creedmoor. This clearly needs to be done, before the proposal proceeds further.
- Existing Creedmoor Tax Rate The tax rates paid by the Citizens of Creedmoor are already the highest tax rates in our four county area (Granville, Warren, Vance and Person). This project, if built, almost assures that Creedmoor taxes will soar even higher.
- Quality of Life Most folks who live in Creedmoor and southern Granville County do so because we like living here. We like the quality of life here! Building the Hester Road sewer plant may help induce a crowd of folks to move here maybe not. Perhaps Creedmoor will become another Cary and we'll all live elbow to elbow, with leash laws, hunting banned, etc... Let's hope not!!

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Mayor, the proposed Hester Road sewer plant needs to be reconsidered, factually and openly, with the citizens of southern Granville County.

Hope you will step back and suspend the application for this plant. Let's all discuss the facts and make a fair, balanced decision in the best interests of all Granville County. Thanks for your continued courtesy and consideration.

Sincerely,

Jean and Jim Blaine Our family lives at 3192 Cannady's Mill Road Granville County, North Carolina (...And proud of it!)