

John Moore
3804 Mason Road
New Hill, NC 27562

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Mr. Dan Blaisdell, P.E.
Assistant Chief, Engineering Branch
Construction Grants and Loans Section
North Carolina Division of Water Quality
1633 Mail Service Center
Raleigh, NC 27699-1633

Ms. Cyndi Karoly
North Carolina Division of Water Quality
1650 Mail Service Center Raleigh, NC 27699-1650

Mr. Monte Matthews
Raleigh Regulatory Field Office
6508 Falls of Neuse Road, Suite 120
Raleigh, NC 27615

Dear Mr. Balisdell, Ms. Karoly, and Mr. Matthews:

As I am sure you are aware, the towns of Apex, Cary, Holly Springs, and Morrisville have plans to place a sewage treatment facility in the center of historic New Hill.

This project is objectionable for a number of reasons, but I would especially like to call your attention to money that can influence the site selection process. Incentives explain the objectionable manner in which the proposed sites for the facility were selected by Western Wake Partners (WWP), and I believe that this objectionable manner points to areas in which the application to the DENR is incomplete and inadequate.

I reason that future tax revenues will be higher for towns and for the county if the proposed sewage plant is placed in New Hill. Consider property surrounding New Hill. It is already developed with rural homes located downwind of proposed sites. Now consider when undeveloped land becomes developed, it generates tax revenue dependant on what is built. For example, a developed parcel of property located less than 12 miles away from New Hill and similarly situated to an interchange off of Highway 1 in Regency Park generates approximately \$10,000 in tax revenues per acre. Land downwind of a septic treatment plant is less likely to become developed like Regency Park, so by proposing only sites in New Hill which are relatively developed, the potential for future tax revenue increase is retained.

The tax incentive at the local and county level is to put the plant in New Hill, and at \$10,000 per acre in every year in the future, this incentive is strong. I would suggest that the tax incentive alone explains why certain detailed cost figures for a plant are not provided by the Western Wake Partners – details could confirm how it costs more to construct and operate the plant in New Hill than elsewhere.

Given the tax incentives, I might be surprised that elected officials do not always condemn and build objectionable projects close to property that is already developed. However, in the case of proposed sites in New Hill, I am not surprised because no one in New Hill can vote against elected officials that propose the site. All we can do is observe the process used by the Western Wake Partners.

There may be other incentives for the submittal of sites near property already developed. Flaws and deception in execution of the site selection process by WWP indicate strong incentives. Some of the flaws and deceptions are amplified below.

Engineers were hired to act as consultants for the project. They evaluated 29 sites, of which they eliminated 17. The remaining 12 sites were subjected to ranking criteria, which included, among other factors, cost, land area ratio, distance from the site from each town, and adjacent land use.

From the 12 ranked sites, three final sites were selected. Logic would dictate that the selected site would have been the highest ranked site as determined by the consultants. Instead, however, the selected site was the fourth highest ranked site—not the first, not the second, not the third—the *fourth*. The two alternate sites selected were also not chosen from the top three ranked sites. One of the alternates was ranked seventh of the twelve and the other was one of the sites that was eliminated and was therefore never even ranked.

The only official justification given for the site selection was that sites south and east of US 1 were discarded when Holly Springs decided to pump effluent rather than raw sewage to the facility. When New Hill residents questioned this, cost was given as the reason for discarding those sites. Recall, however, that cost was one of the ranking factors. There has been no detailed cost analysis provided, despite several requests from New Hill residents. Moreover, when I spoke at a Town of Holly Springs town council meeting, the Mayor of that town stated that cost was not a factor in relocating the proposed site.

No consideration was given to the population near to the proposed site; the adjacent historic district was ignored; and the site selection appears to be based on political expedience and ease of land acquisition. Cary Town staff cited as a significant factor in selection that the chosen site was a one-owner land parcel.

In light of incentives to overspend on the plant and the manner in which the process has proceeded, DENR should ask Holly Springs what, if not cost, caused the plant to be proposed outside of Holly Springs. At the very least, the three sites being submitted to DENR should be compared against the sites that were chosen by the consultants as the best sites.

I thank you for your consideration of my concerns.

Sincerely,

John Moore