

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
AUGUST 02, 2004

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Agricultural Auditorium Building, 45 South Street, located in Pittsboro, North Carolina, at 10:00 AM on August 02, 2004.

Present: Chairman Tommy Emerson; Vice Chair, Carl Outz; Commissioners Margaret Pollard and Bunkey Morgan; County Manager, Charlie Horne; County Attorney, Robert L. Gunn; Assistant County Manager, Renee Dickson; Finance Officer, Vicki McConnell; and Clerk to the Board, Sandra B. Sublett

Absent: Commissioner Bob Atwater

The meeting was called to order by the Chairman at 10:05 AM.

Work Session

1. **Substance Abuse in Chatham County**
2. **Progress Energy Security**
3. **Fire Codes Revision**
4. **Economic Development Update**
5. **Water Update**

The County Manager reviewed the Work Session Agenda.

PROGRESS ENERGY SECURITY

Marty Clayton, Progress Energy Community Relations Manager, reviewed concerns regarding security in and around the Harris Nuclear Plant. He introduced Bob Duncan, Director of Site Operations for Harris Nuclear Plant and Holly Deja, Harris Site Communications Director. He explained that some information, while it might seem like an obvious, straight forward answer, might not be answered due to the nature and safe-guarding of the information. He thanked Commissioners Pollard and Atwater for their service to the County.

Commissioner Pollard stated that she believed that Progress Energy is doing everything it can to safe-guard the public to the best of their ability as a public utility; that she has a lot of confidence in their organization; that the inquiry was made because she believes that government has a role in public safety above that of the Public Utilities role.

Bob Duncan, explained that public safety is the cornerstone of all plant operations; that the Nuclear Regulatory Commission (NRC) has taken very aggressive action post 9/11 with monthly reports and telephone calls to the Congress and frequent telephone calls to the NRC; that they continue to have

a resident inspector on-site twenty-four hours per day; that Chatham County has always been a strong proponent of the Emergency Preparedness Plan; that one of the major changes made post 9/11 was to supply and support a more seamless defense in close coordination with local, state, and federal officials; that Progress Energy has one of the best security forces in the industry; that these are mainly ex-military personnel; and that they have extensive training and the latest technology comparable to the US Armed Forces.

He explained the different nuclear plant security areas stating that public safety is their top priority; that they use reliable equipment (both the equipment that creates and generates electricity for the public and the security that helps them service and maintain security at the Harris Plant), high caliber people, in-depth defense approach, integrated with government agencies, drilled and proficient in event response plans; that since 9/11, Progress Energy has contributed approximately \$20 million directly to security upgrades, including expanded security force, enhanced training, extended security perimeters, and added new barriers; that supervisor oversight inspections by a regulator are more frequent than prior to 9/11; that there has been a \$400 million investment since 9/11, a \$600 million additional investment already committed through continuing upgrades by the NRC and the Department of Homeland Security with regard to changes that must be made going forward, and that they have a continued commitment to security.

He thanked Commissioners Pollard and Atwater for being a great neighbor to the Harris Plant and Progress Energy.

A question and answer period ensued between the Board, Progress Energy, and citizens in attendance.

Tony Tucker, Chatham County Emergency Operations Director, stated that they had been involved in regional and state meetings and that there have been a lot of security measures put in place.

Judy Hogan stated that she was not concerned about security measures; that she is concerned that it is not going to prevent a major accident; that if a fire should get out of control within the fuel pools, there are insufficient firewalls; that she has been concerned that a small airplane could fly into the plant; that she would like to see Progress Energy stop crowding the pools and start getting the casts into dry storage; and that she would also like to see Progress Energy install proper fire walls.

Paul McCoy stated that he lived within five miles of the plant; that they feel totally confident that it is a good source of energy; that 90% of the people living in the area have no fear of the plant; and that they are proud of the plant and the people who run it.

Chairman Emerson thanked Progress Energy for their presentation.

Mr. Duncan re-extended the invitation to visit the Harris Plant stating that a more informed commissioner is able to make more intelligent decisions.

ECONOMIC DEVELOPMENT

Tony Tucker, Economic Development Director, discussed the status of economic development in the County. He also stated that economic development is waiting on the final easement agreement that will allow the County's industrial park plan to move forward.

A question and answer period ensued.

FIRE CODES REVISION

Tom Bender, Chatham County Fire Marshall, reviewed the changes in the Chatham County Fire Prevention and Protection Ordinance.

Commissioner Morgan moved, seconded by Commissioner Outz, to hold a public hearing on September 20, 2004 on the changes in the Chatham County Fire Prevention and Protection Ordinance and advertise same. The motion carried five (5) to zero (0).

BREAK

The Chairman called for a five-minute break.

CHATHAM COUNTY SUBSTANCE ABUSE

Dorothy Cilienti, Health Director, Tom Velivil, OPC Director, Bobby Spence, Director of Judicial Services, John Tanner, Director of Social Services, and Roy Allen, Chatham County Deputy, provided data with regard to the impact of drug and alcohol abuse in Chatham County, offered suggestions for treatment, and outlined the benefits of treating substance abusers.

Chairman Emerson suggested that the individuals who spoke, including Judge Joe Buckner, form an ad hoc committee to determine cost estimates and study what, if anything, the committee could do to reduce the substance abuse problem in Chatham County.

LUNCH RECESS

Chairman Emerson called for a 45-minute lunch recess.

THE WOMEN'S CENTER

Connie Mullinix, Executive Director and Elizabeth Waugh-Steward, IDA Program Administrator, informed the Board of "The Women's Center", located in Chapel Hill, NC, and of their program which targets women and helps them save for their own house.

She answered questions from the Board, stated that they would like to expand into Chatham County, and asked for budgetary support.

BOARD OF ELECTIONS

The Board of Commissioners asked about the status of the protest on the Northwest Water Bond issue.

Dawn Stumpf, Board of Elections Director, reported that a protest had been filed and a preliminary hearing would be held to determine the merit of the protest.

WATER UPDATE

Tim Carpenter updated the Board on the Northwest Water District, the Highway #64 main, water to Silk Hope School, water system telemetry (SCADA) and presented an overall view of the Chatham County water districts (Southeast District, Southwest District, Northwest District), Group "B" Projects, the western transmission mains, and North Chatham hydraulic improvements.

NORTHWEST WATER DISTRICT

Mr. Carpenter stated that the Northwest Water District has a direct bearing on the construction of the Highway #64 portion of the Western transmission mains; that the Highway #64, twelve-inch transmission main was intended as the supply line for the Northwest Water District. He discussed two options the Board might desire as their next step since the defeat of the bond issue:

- 1) Delete the Highway #64 main from the project which would result in approximately \$1,322,073 reduction in the cost of the western transmission mains project.
- 2) Install the Highway #64 main – operation of the main with relatively small usage (i.e. the possible residential usage and the Silk Hope School usage):
 - The Highway #64 main is approximately 41,000 linear feet. The volume of a 12” DIP water main that is 41,000 feet in length is approximately 264,000 gallons of water.
 - The 8” water main along Silk Hope Road is approximately 23,221 linear feet. The volume of an 8” PVC water main that is 23,221 feet in length is approximately 68,000 gallons of water.
 - Total volume of water in the mains to Silk Hope School is approximately 332,000 gallons of water.
 - The average daily demand at the school is approximately 3,500 gallons per day, leaving 328,500 gallons of water in the mains.
 - The equivalent residential demand for 328,500 gallons of water at 400 gallons per day is 821 residential customers.
 - It is recommended that water in this water main be turned over at least every 3-4 days. This would mean that the average daily usage should be approximately 82,000 gallons of water per day. If this usage is not achieved, then flushing will be necessary.
 - Presuming that 82,000 gallons must be flowed through the main on a daily basis, the cost of water would be approximately \$123.00 per day (assuming \$1.50 per 1,000 gallons production cost for Chatham County), of which approximately 78,500 gallons (excluding the school usage) would be for flushing.
 - Based on the previous slides, the operational costs of installing the main on Highway #64 appear to be cost prohibitive without substantial water usage.
 - It would appear that the Highway #64 main should be postponed until such time that a substantial customer base can be obtained.
 - The design of the main will be permitted and will be available until such time that the customer base warrants the extension of the main.

Water to Silk Hope School:

Mr. Carpenter reviewed the options for providing water to Silk Hope School as follows:

- 1) The current and short-term method for providing water to Silk Hope School is to

extend a water main from the Siler City Water System along Highway #64 and then along Silk Hope Road to the school. This route includes approximately 4,200 linear feet of 12" water main along Highway #64 east to Silk Hope Road then approximately 23,000 linear feet of water main along Silk Hope Road to the school.

- The total volume of water contained in this route is approximately 95,000 gallons of water.
- Applying the same rational as the Highway #64 portion of the Western Transmission Main, the water required for a four-day turnover period would be approximately 23,750 gallons daily.
- This water volume would be equivalent to approximately 20,250 gallons (less the school usage) per day in usage or 50 residential connections.
- Some periodic flushing will still be required in particular during the summer months when school is not in session.
- The cost of the water from Siler City is \$3.17 per 1,000 gallons.
- Presuming that adequate connections can be added to the Silk Hope Road area, the flushing cost will be minimal.
- If no connections are added along the Silk Hope Road corridor, then flushing costs could be as much as \$64.20 per day or \$23,400 per year.
- Based on the information provided in the previous slides, it is apparent that the most cost effective option for providing water to Silk Hope School is to supply water via Siler City until such time that sufficient interest in the Northwest Water District would re-initiate the bond issue or that there is sufficient interest or reason for extending the main along Highway #64 west (Western Transmission Mains).

Summary-Northwest Water District & Silk Hope School Water Main:

Short Term Options: (0-24 months)

- Postpone the installation of the Highway #64 portion of the Western Transmission Main Project
- Supply Silk Hope School with water from Siler City
- Construct the Highway #64 portion of the Western Transmission Main Project

Long Term Options: (Beyond 24 months)

- Revisit the Bond Referendum for the Northwest Water District
- Construct of the Highway 364 portion of the Western Transmission Main Project to serve as the primary supply for the Silk Hope School and the Northwest Water District OR identify service areas in the northwest townships that interest warrants extension of water service

Chatham County Telemetry (SCADA) System:

Mr. Carpenter stated that the telemetry (SCADA) is the system or process used in transmitting and receiving important information between water system facilities such as booster pump stations, tanks, the water treatment plant and wastewater facilities. He stated that the current Chatham County system does this via a radio system in which the radios send information that transmit data to the water plant that contains information such as tank levels and booster pump station status to the water treatment plant; that this data is then interpreted by a "master unit" which is transmitted through a software package that can be viewed by the water plant operator; that the water plant operator can then make such decisions such as turning on or off a remote pump station or send additional water from the water plant to the various facilities; that Chatham County's current system uses radios to transmit the data; that over the past few years, there have been interruptions in this transmission of data; that the radios used in transmitting this data have recently been replaced; that it has been discovered that the transmission of data has not been as dependable as needed to operate the system; that in an effort to correct the problems, the contractor that installed the radios conducted several tests to determine whether the various sites in the North Chatham Water System will communicate with an uninterrupted signal; that it was determined that due to distance, elevation, and line of sight, this communication of data has and will be sporadic at best to the water plant.

He reviewed the recommendations, advantages, and disadvantages from the telemetry contractor as follows:

Option #1: Construct a 100 foot tower with a 20 foot mast at the water plant to provide an uninterrupted signal from the North Chatham Water System facilities (pumps, tanks, etc.)

- **Cost:** Approximately \$50,000

Option #2: Transmit data from the Bynum Booster Station, Jack Bennett Tank, North Chatham Booster Station via radio to the North Chatham Tank (Governors Club). The North Chatham Tank would act as store and forward site with new modem. From the North Chatham Tank the data would then be transmitted and received to and from the water plant via a hard wire connection (buried fiber optic line). This fiber optic line would be a lease line from Bell South.

- **Cost:** Approximately \$5,000 plus lease fees in the amount of approximately \$1,200 per year.

Advantages/Disadvantages:

Option #1 – Construct Tower:

- **Advantages:**
 - * Un-interrupted signal
 - * Consistent with the existing radio system
- **Disadvantages:**
 - * Cost
 - * Delivery and installation time

Option #2 – Hybrid Radio / Hard-Wire System

- **Advantages:**
 - * Lower cost of installation
 - * Time of installation
 - * Un-interrupted signal
- **Disadvantages:**
 - * Inconsistent with the current radio system
 - * Buried line that has the potential for being cut by contractors
 - * Annual lease cost

Mr. Carpenter summarized the SCADA system by stating that based on the information provided the hard wire or the radio system with a new tower, it will function as needed for the transmission of data to and from the water plant. He stated that the hard wire system would not abandon the current radio system but would simply add a hard wire component to the system that is capable of delivering the same information at a comparable speed; that the hard wire system will be compatible with future installations throughout the County, provided that these installations can transmit a signal to the water plant; that the proposed hard wire system would be somewhat isolated to the North Chatham water system and future (western) installations would need to transmit directly to the water plant; that from the water plant, information would be disseminated and disbursed to the appropriate site.

CHATHAM COUNTY WATER DISTRICTS

Mr. Carpenter reviewed the Chatham Count Water Districts as follows:

Southeast Water District:

- Bond referendum results: 424 Yes to 339 No
- Sign-up process has begun
- At the end of August, Hobbs, Upchurch & Associates will evaluate the results of the sign-ups and begin making some preliminary recommendations to Chatham County
- Depending upon the success of the sign-up process, preliminary determinations of the final water main routes will be made in the form of the Preliminary engineering Report (PER)
- If sign-ups are not sufficient to determine the water main, Hobbs, Upchurch & Associates will make recommendations to the County as to where further effort in the sign-up process should be made
- Goal is to submit the PER in September to USDA-Rural Development

Southwest Water District:

- Bond referendum results: 748 Yes to 448 No
- Sign-up process has begun
- At the end of August, Hobbs, Upchurch & Associates will evaluate the results of the sign-ups and begin making some preliminary recommendations to Chatham County
- Depending upon the success of the sign-up process, preliminary determinations of the final water main routes will be made in the form of the Preliminary Engineering Report (PER)
- If sign-ups are not sufficient to determine the water main routes, Hobbs, Upchurch & Associates will make recommendations to the County as to where further effort in the sign-up process should be made

- Goal is to submit the PER in September to USDA-Rural Development

Northwest Water District:

- Bond referendum results: 458 Yes to 545 No
- Sign-up process had begun
- Given the failure of the Northwest Water District Bond the water District Project cannot move forward until such time the interest from the citizens warrants the bond issue to be reinitiated
- Chatham County's Board of Elections should verify the minimum time frame for reinitiating the bond issue
- To seek funding from USDA-Rural Development, it will be necessary for the bond referendum to be successful.