

**From:** Alicia Williamson  
**To:** Cristina Guerrero  
**Date:** 7/19/05 9:05AM  
**Subject:** Fwd: Brunswick Trip Report

We will probably need to put this into ADAMS as well...but I will let u know.

**Mail Envelope Properties (42DCFAAB.387 : 23 : 3554)**

**Subject:** Fwd: Brunswick Trip Report  
**Creation Date:** 7/19/05 9:05AM  
**From:** Alicia Williamson

**Created By:** ARW1@nrc.gov

**Recipients**

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CXG3 (Cristina Guerrero)

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**Options**

**Expiration Date:** None  
**Priority:** Standard  
**Reply Requested:** No  
**Return Notification:** None

**Concealed Subject:** No  
**Security:** Standard

**From:** "Parkhurst, Mary Ann" <maryann.parkhurst@pnl.gov>  
**To:** Richard Emch <RLE@nrc.gov>, Alicia Williamson <ARW1@nrc.gov>  
**Date:** 7/18/05 6:55PM  
**Subject:** Brunswick Trip Report

Rich and Alicia,

Dave Anderson reminded me that he provided a trip report months ago (attached) documenting his socioeconomic observations and specific interviews. Let me know if you need anything more formalized for use in referencing.

Mary Ann Parkhurst  
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> -----Original Message-----

> From: Anderson, David M  
> Sent: Friday, February 11, 2005 1:58 PM  
> To: Parkhurst, Mary Ann  
> Cc: Miller, Beverly M  
> Subject: Trip Report

>

> Mary Ann,

>

> The attached provides a report of my activities during the Brunswick  
> site audit.

> <<BSEP Site Audit Trip Report(dma).doc>>

>

> Thanks,

> Dave

>

**CC:** "Anderson, David M" <DMA@pnl.gov>, "Miller, Beverly M" <Beverly.Miller@pnl.gov>

BSEP Site Audit Trip Report – Socioeconomics  
1/23-27/2005  
Dave Anderson  
Filed 2/11/2005

Over the 5-day period of January 23-27, 2005, I traveled the affected region of the Brunswick Steam Electric Plant (BSEP) and interviewed many local officials in regard to social, economic, and land use issues affecting the relicensing of the BSEP. For each interview, I was accompanied by Cristina Guerrero of the NRC, and for some interviews we were joined by Sam Hernandez-Quinones, also of the NRC.

I arrived in the area late on Saturday, January 22, and spent Sunday and Monday, January 23-24, driving the various counties and communities of the affected region, including most populated areas in New Hanover, Brunswick, Pender, Bladen, and Columbus counties in North Carolina, and Horry County in South Carolina.

In my driving I made note of the dominant land uses. The affected portion of North Carolina is overwhelmingly rural countryside characterized by pine forests, small cities and towns, and heavily developed beach communities and tourist attractions. Several golf course communities have been developed or are currently under development in all portions. The Green Swamp occupies a large portion of the northwest sector of the affected region.

The landscape is generally flat in topography and is heavily vegetated, where not immediately disturbed, with thick mixed forests of pines and several deciduous tree species, along with thick undergrowth of shrubs and vines. The intercoastal waterway separates the mainland from several beach islands, which are essentially very large sand dunes that have been leveled and developed with high-density residential developments including vacation homes, high-rise condominiums, apartments, hotels, and commercial shops.

During the on-site portion of the audit at the BSEP facility I met with my Tetra Tech NUS, Inc. counterpart, Nicki Hill. She provided all of the requested reference material from preparation of the ER. We also discussed how to obtain updated information regarding tax payments to Brunswick County, employee geographic listings, and water-related information. I also participated on a portion of the site tour provided by the licensee. Cristina Guerrero and I departed in the afternoon to begin interviewing local officials.

#### Interviews

- We met jointly with Margaret Bishop, the founder and President of Margaret Rudd Realty, and Karen Sphar, the Executive Vice President of the Southport-Oak Island Chamber of Commerce, in Southport on Tuesday, January 25. They indicated that

total annual real estate volume in Brunswick County had increased 10-fold over the last 10 years. They attributed the surging growth to several factors, including growth in the second-home and retirement home markets, market-driven speculative development, and growth in the destination golf market centered in Myrtle Beach, SC. Brunswick County appears to attract a segment of the retirement market known as "halfbacks" – those retirees from the Northeast that initially moved to Florida, but that have since moved "half-way" back to be closer to family or to escape weather or crowding concerns in Florida. They also commented that the new Oak Island bridge project and the Brunswick County Airport runway expansion would be factors in the continued growth of the region.

- We next met with Peter Bine, the Town Manager of the Town of Oak Island, Jane Daughtridge, the Oak Island Planning Director, and Randy Foulke of Black & Veatch, a consulting engineer for the Town. Bine provided background on Oak Island's development and indicated that there are 7900 permanent residents, over 11,000 property parcels, and that the population swells to over 45,000 during the peak beach season (June, July, August). The property tax rate is \$3.40 per \$1000 assessed value. Growth in the real estate market and demand for land on the island has accelerated the rate of construction. Black & Veatch project that at current rates of construction, the island will complete build-out within 7-10 years. Bine wanted to use the occasion of our interview to pitch a wastewater proposal, and this discussion is provided in the Scoping Issues section of this report. A second bridge to western Oak Island has been approved for construction, and plans are proceeding.
- Our last interview on Tuesday was with Harry Simmons, Mayor of the Town of Caswell Beach, and Jerry Walters, Town Administrator. Mayor Simmons is also President of the Brunswick Beaches Consortium and is national President of the American Shore and Beach Preservation Association. Caswell Beach is the town on the eastern end of Oak Island and has 450 permanent residents. That number grows to over 3500 during the peak beach season. The property tax rate is \$2.20 per \$1000 of assessed valuation. The Town also collects a 6% occupancy tax on rented property. They indicated that outage workers utilize local rental housing during the off-peak seasons. Mayor Simmons raised several issues that are captured in the Scoping Issues section of this report. The Town is asking that the effects of the outfall deposition on the local beach be studied. Casual observations by residents at low tide suggest that there is a growing concavity in the shape of the beach in the general vicinity of the ocean release point from the outfall canal.
- On Wednesday, we met first with Leslie Bell, AICP, the Brunswick County Planning Director, at the Brunswick County Government Complex in Bolivia, NC. Mr. Bell outlined plans in the works for several significant highway construction projects affecting Brunswick County. These projects include the Interstate 140 bypass freeway that would connect the Hwy 41 corridor with the Hwy 17 corridor, proposed upgrading of Hwy 17 to limited access, adding lanes to Hwy 211 between Southport and St. James, the second bridge to Oak Island, and studying collector routes in the

Belville/Leland area. Mr. Bell also indicated that Spring Hill area of the county should be considered when evaluating environmental justice impacts and proportionality. He indicated that county service exclusions for water and sewer might be viewed as disproportionately impacting low-income and minority populations. He indicated that Brunswick County does have a seasonal labor force tied specifically to tourism services and the beach season, off-season construction, and golf course maintenance. With the growth of the local economy and the year-around need for unskilled labor, previously migrant populations are becoming county residents. Mr. Bell confirmed the assessments of previous interviews on the explanations for the strong economic growth in the region. Brunswick County is also becoming a bedroom community to the urban centers of Wilmington and Myrtle Beach. The growth of the retiring population and their migration from the Northeast to warmer climates in the South is a primary driver. He indicated that the draft County land use plan mandated by North Carolina's Coastal Area Management Act (CAMA) would be coming out in the May/June 2005 timeframe.

- We next met with Steve Johnson, Director, and Amy Walker, Program Administrator, with the Brunswick County Economic Development Commission, at the Brunswick County Government Complex in Bolivia. They confirmed all previous input regarding the reasons for increasingly strong economic growth in Brunswick County. They also emphasized that the plans to implement county-wide sewer services would increase the pace of growth because construction densities would increase with the increased sewer capacity. The County has 5 industrial parks, all of which have been sold out. Previous plans to develop commercial shipping capabilities at Military Ocean Terminal – Sunny Point have fallen through since the effects of 9/11 have played out. They indicated that the county experiences a turnover of more than 200,000 visitors weekly during the beach season. The Commission's principal charge is to recruit new business to the County. They indicated that Progress Energy Corporate provides regular support in business recruiting.
- We met with Rob Gandy, City Manager of the City of Southport, and the City's representative on the Cape Fear Council of Governments, at City Hall in Southport. Southport is growing much like the rest of Brunswick County, although most of the growth in Southport is retirement market-driven. The City property tax rate is \$3 per \$1000 in assessed value. He indicated several relationships the City has with the BSEP. They have a Mutual Aid Agreement under which Progress Energy directly funds \$5k/year for rescue services and \$12k/year for fire services. The City also conducts joint preparedness drills with the BSEP. Progress Energy petitions the City for various volunteer service project opportunities. The City is a minority owner of the plant under something called "Electra-cities", and suggested contacting Bill Crabtree at 800-768-7697 x6322 to get more details about local joint ownership of the plant. In regard to local plans affecting the BSEP, Gandy provides the Land Use Plan developed under CAMA, and he suggested reviewing the City's Unified Development Ordinance, set to be updated around March, 2005.

- Our final interview on Wednesday was with Linda Turner, a staff member of the Brunswick Family Assistance Agency in Shallotte, NC. Ms. Turner was substituting for the Agency's Executive Director, Anita Oldham. The Brunswick Family Assistance Agency is Brunswick County's largest local agency providing financial, medical, and food assistance. Ms. Turner provided annual reports from the previous 4 years, documenting the characteristics of the Agency's services and funding. She indicated that the Agency most typically provides utility bill assistance, medical transportation service, and food assistance to its clients. She estimated that 30% of clients are Hispanic, 35% are African-American, and the remainder are white. Single mothers dominate the clientele. The Agency's services are spread evenly throughout Brunswick County; however she estimated that about 30% of their activity comes from the Leland area. As the county is growing, the service needs faced by the Agency are also growing. The Agency is looking to establish a homeless shelter in the Supply area of the county. The Agency is funded or otherwise supported through several sources including United Way, Federal food and shelter funds, USDA commodities, County funds, and private contributions. Progress Energy may provide funding indirectly through the "Neighbor Helping Neighbor Fund", but this was unclear. She did not indicate any direct effects from factors influenced by BSEP operations, such as outage workers that may need assistance between outages.
- On Thursday, January 27, we began by meeting with David Lewis, City Manager of the City of Boiling Spring Lakes, at City Hall in Boiling Spring Lakes. The city has developed around water projects that were constructed to create lakes from a high-capacity freshwater spring. A golf course also winds through the city. The city manages 3800 residential and light commercial parcels. The property tax rate is \$2.50 per \$1000 of assessed value. The Nature Conservancy owns over 5000 acres of wetlands in the city limits. Lewis expects the planned county sewer service to permit much higher construction densities, and that the city will triple in size within 5 years of the sewer addition. Being somewhat inland from the coastal areas, the city is not directly affected by the tourism economy of the coastal communities. It serves more as a bedroom community to Wilmington.
- Next, we met with Mitzi York, President of the Brunswick County Chamber of Commerce, in Shallotte. The Brunswick Chamber represents 560 small businesses and focuses on attracting new residents to Brunswick County. Ms. York reported that UNC-Wilmington had recently projected 9% population growth for Brunswick County in 2005. Approximately 19 people per day are moving into the county. Currently, growth is only limited by the lack of public sewer, which has now been approved and planned for development. This means that the rate of population growth in Brunswick County is expected to increase significantly in coming years. She confirmed the assessment of the Southport Chamber that Brunswick County is really two markets – one directed to Wilmington and one directed to Myrtle Beach. The southern end of the county is much more affected by Myrtle Beach destination golfing – creating shoulder seasons to the beach season in Spring and Fall. She noted that tax valuations have been rising quickly, resulting in some long time residents

being forced to sell their property to alleviate the tax burden. This trend is only likely to increase in the foreseeable future.

- Our last meeting was held with Brunswick County Schools, represented by Assistant Superintendent for Operations, George Macklin and his two members of his staff. Mr. Macklin provided reports detailing current and projected enrollment at the County's 16 schools. Current enrollment exceeds 11,000 students and all schools are either currently over-capacity or will be within the next 7-10 years. Most are currently adding mobile units to ease crowding. The county recently passed an \$84 million school renovation bond that will help address continued growth. The District has partnered with the Mexican government to begin an English-as-Second-Language (ESL) program and now provides a designated ESL school to address the growing Hispanic population in the county. Macklin shares the views expressed by all other contacts regarding the factors influencing the growth of Brunswick County. He also shares concerns about evacuation events like hurricanes or nuclear incidents mentioned in the Scoping Issues section. He indicated that Progress Energy participates with the District on emergency services drills. He also indicated that Progress Energy provides many services and sponsorships to help the schools. These services are not widely reported or communicated to the general public.

#### General Comments about Progress Energy's BSEP Operations

To a person, all those interviewed while on the site audit commented that Progress Energy was a "good neighbor" in the community. None offered any negative comments or criticisms of any kind. All indicated that the plant provides stable, high-paying jobs. Several mentioned that the plant sponsors community service projects regularly, and performs as a good corporate citizen. All wished for granting of the extension of the OL.

Scoping Issues / New and Significant Information  
Socioeconomics & Land Use

Evacuation and outbound transportation route sufficiency

- Nearly all interviews indicated inadequacy of the existing road network for use in evacuation for hurricanes, nuclear plant issues, or other causes. Worst case scenarios could include either a peak summer weekend evacuation or the combination of a BSEP-related event with a hurricane event.

Long-term, booming real estate development

- The build-out rate on the South Brunswick Islands, and Oak Island is increasing – driven by market forces.
- New municipal and county sewer systems will provide for much higher density housing developments in the immediate future.
- Golf course and retirement communities rapidly expanding for the foreseeable future.

Beach erosion and outfall deposition in the ocean

- Caswell Beach noticing encroaching concavity in the beach, directly in line with the outfall ocean-release point.
- Caswell Beach requests that the effects of the outfall on the beach be studied.

Beach pumping station visual and noise effects

- Caswell Beach renters often complain about lighting and pump noise at the outfall pumping station. Beach vacationers are not expecting to find the pumping station.

Significant planned expansion of the Interstate and collector road network

- Plans to greatly increase highway capacity in Brunswick County will help with current evacuation concerns.
- Better highway access will further incent growth and could increase the pace of growth.

Wastewater disposal

- The Town of Oak Island proposes joining with other local municipalities and approaching Progress Energy with a proposal to discharge into the outlet canal of the BSEP – thus alleviating requirements to land-deposit wastewater.

Integration of the NC Coastal Management Plan under NEPA

- All coastal municipalities are subject to the NC Coastal Zone Management regulations.