



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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JB PRITZKER, GOVERNOR

JOHN J. KIM, DIRECTOR

Project Summary and Notice of Categorical Exclusion from Detailed Environmental Review

Date: SEP 11 2019

Loan Applicant: Village of Mansfield

IEPA Loan Project Number: L174054

To all interested persons:

Section 662.330 of the Illinois Procedures for Issuing Loans from the Public Water Supply Loan Program requires that the Illinois Environmental Protection Agency (IEPA) publish a Notice of Categorical Exclusion for proposed water supply projects which are of limited scope and have little or no potential for causing negative environmental impacts. Prior to granting its approval of the project plan, the Agency requires that the public be granted an opportunity to comment as to whether in fact the project should be precluded from the formal environmental review process and public hearing.

The IEPA has reviewed the above cited project plan and concurs with the applicant's finding that the proposed project is technically appropriate and cost effective. Unless new information provided through the public comment process causes reconsideration, the Agency will approve this planning at the close of the public comment period.

The applicant is required to public notice that the Agency has issued the attached Notice of Intent to Issue a Categorical Exclusion. This document, along with the project planning, must be made available for public inspection, allowing 10 days for public comment. During this comment period, written comments may be provided to the applicant or directly to the IEPA contact person identified in the attached document.

For information purposes only, a copy of this document is being provided to your local newspaper of record.

Your interest and participation in this process are appreciated.

Sincerely,

Heidi Allen
Pre-Construction Unit Manager
Infrastructure Financial Assistance Section
Bureau of Water

HA: JM:n:\bow\grants\com_docs\mallory\projects\drinking water\mansfield - 4054-catex (watermain replacement).docx

Attachment

4302 N. Main Street, Rockford, IL 61103 (815) 987-7760
595 S. State Street, Elgin, IL 60123 (847) 608-3131
2125 S. First Street, Champaign, IL 61820 (217) 278-5800
2009 Mall Street Collinsville, IL 62234 (618) 346-5120

9511 Harrison Street, Des Plaines, IL 60016 (847) 294-4000
412 SW Washington Street, Suite D, Peoria, IL 61602 (309) 671-3022
2309 W. Main Street, Suite 116, Marion, IL 62959 (618) 993-7200
100 W. Randolph Street, Suite 4-500, Chicago, IL 60601

Notice of Intent to Issue a Categorical Exclusion

In accordance with the Illinois Environmental Protection Agency (IEPA) Loan Rules, Title 35, Subtitle F, Chapter II, Part 662.330 (State Environmental Review), the IEPA has determined that the proposed project, described below, may be excluded from a detailed environmental impacts review. The Agency may categorically exclude certain types of projects from environmental review if no potential for negative environmental impacts exist. Environmental sign-offs have been received from all applicable agencies and the construction of this project is taking place in previously disturbed areas. There are no adverse environmental impacts anticipated.

This report is based on information submitted to the IEPA by the Village of Mansfield. Sources of information include the following documents: Mansfield Project Plan Report dated August 7, 2019, Planning Submittal Checklist, Existing User Charge and O, M, and R Certification Sheet and Letter of Transmittal dated August 8, 2019, all prepared by Fehr Graham & Associates, LLC.

Part I – Project Information

Loan Applicant: Village of Mansfield
Project Name: Watermain Replacement
Current Population: 955

Project Number: L174054
County: Piatt
Future Population (20 year): 955

Project Description: The Village of Mansfield is proposing to replace approximately 8,200 lineal feet of 4, 6, and 8-inch cast iron watermains with PVC watermains, and appurtenances.

Project Location: This project will take place along Newton, Washington, Main, South, Columbia, West, North and East Streets. Proposed project locations are shown on the attached site map.

Project Justification: In order to maintain the existing watermains and ensure reliability of the system, the Village has proactively identified certain key watermains for replacement and upgrades. The selected watermains have reached the end of their useful life.

Estimated Construction Start Date: July 1, 2020

Estimated Construction Completion Date: September 30, 2022

Project Cost Estimate: \$1,690,000

Part II – Project Affordability for Residents and Utility Customers

The estimated costs for the project are:

Construction	\$1,275,000
Contingency (10%)	\$128,000
Design Engineering	\$180,000
Construction Engineering	\$100,000
Other Professional Services	\$7,000
Total Project	\$1,690,000

The applicant is proposing to finance the project costs with a loan from the Public Water Supply Loan Program (PWSLP). A \$1,690,000 loan with an estimated interest rate of 2.00% for a twenty (20) year period, would have an annual repayment of approximately \$102,593. If the annual loan repayment amount is divided between the Village's 457 drinking water customers, each customer would pay \$224.52 per year, which equals \$18.71 per month.

The current loan program interest rate is 2.00%. All loans are subject to the interest rate in effect at the time a loan agreement is issued. The loan program rules include provisions for incentives such as reduced interest rates, partial principal forgiveness, and extended repayment periods for qualifying applicants. The criteria used to determine incentive qualifications are found in Sections 662.210 and 662.250 of the Procedures for Issuing Loans from the PWSLP, which is available on the Agency's website. The final decision for incentive qualifications will be determined at the time a loan agreement is issued using updated Census Bureau and Department of Labor data. Using current data, the Village of Mansfield is eligible to receive a 1.5% small community interest rate based on the current Village unemployment rate and the MHI of Mansfield, and 60% principal forgiveness of the initial loan. The Agency adjusts qualifying criteria annually on July 1st and the community specific information is also subject to change. Applicants that qualify for principal forgiveness will not have a repayment obligation for a portion of their loan. Principal forgiveness and/or a reduced interest rate will reduce the loan payment amount and possibly the associated increases to the user charges. Principal forgiveness is not guaranteed until a loan agreement is issued.

If the Village of Mansfield does receive the above referenced IEPA loan program incentive reductions, the possible cost savings to the estimated loan payments can be calculated as follows: 60% principal forgiveness (up to \$800,000) would subtract \$800,000 from the \$1,690,000 total estimated project cost, which would leave \$890,000 of remaining project cost to be repaid. A \$890,000 loan with an estimated interest rate of 1.5% for a thirty (30) year loan repayment period, would have an annual repayment of approximately \$36,859. If this annual loan repayment amount is divided between the Village of Mansfield's 457 water customers, each customer would pay \$80.65 per year, which equals \$6.72 per month.

Source of Loan Repayment: Increase user fees.

Current Average Monthly Residential Cost of Service: \$22.00

Projected Average Monthly Residential Cost of Service: \$35.00

How is the monthly residential rate/cost of service calculated? The Village of Mansfield charges a flat fee of \$22.00 per month for Village residents, business and industrial drinking water users; and \$25.00 for non-resident users.

In order to repay the loan, the Village is proposing to increase the flat fee rate to \$35.00 per month for residents, business and industrial users and \$38.00 for non-resident users.

Number of Customers or Service Connections: 457 service connections (97% residential and 3% commercial and industrial).

Median Household Income (MHI): \$46,771

Financial Impact of the proposed project:

To evaluate the costs of the proposed project for the community, a percentage comparison of the MHI to the average, annual cost for water service is utilized. The MHI listed above is from the current year's census information. The projected annual drinking water cost of \$420.00 is 0.9% of the MHI for the area. The percentage is for comparison only and has no impact on whether a project qualifies for funding from the IEPA. The percentage comparison and MHI are two of several criteria used to determine whether a loan project qualifies for interest rate reductions or principal forgiveness.

Public comments are invited on the proposed project. For further information contact:

Jasmine Mallory, Project Manager
Infrastructure Financial Assistance Section
Illinois Environmental Protection Agency
Bureau of Water

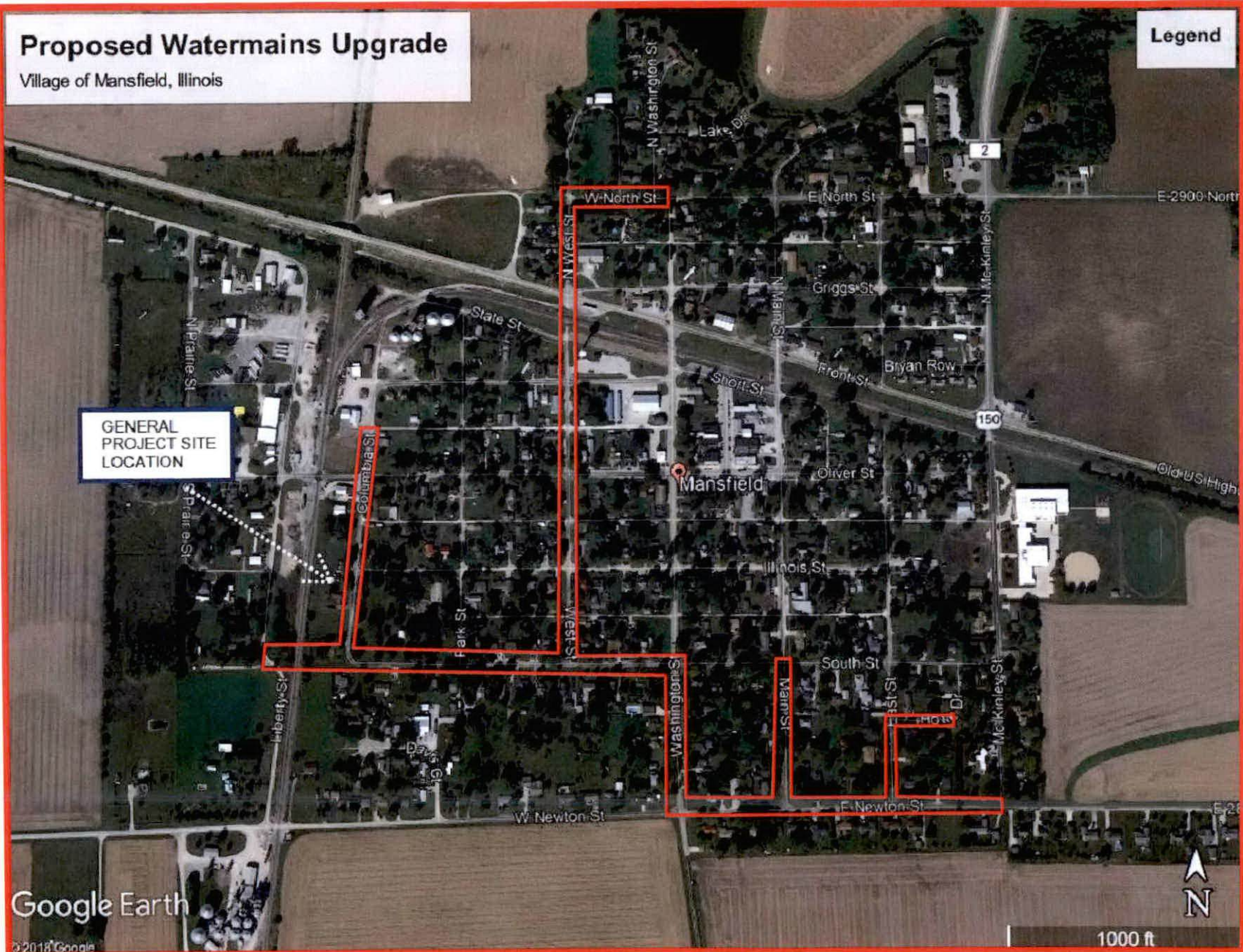
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Illinois 62794-9276
(217)782-2027

Proposed Watermains Upgrade

Village of Mansfield, Illinois

Legend

GENERAL
PROJECT SITE
LOCATION



Google Earth

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1000 ft