# Village of Durand Project Summary and Preliminary Environmental Impacts Determination

## To Village of Durand Residents:

The Village of Durand is in the process of securing funding for a Wastewater Treatment Plant and Collection System Improvements Project. Durand's project entails the construction of a new main influent lift station, including pumps, motors, structure, valve and valve vault. It also includes modifying the standby influent lift station, along with modifications for a supervisory control and data acquisition system. Additionally, the project proposes to modify piping associated with the lagoon located at the wastewater treatment plant and to dredge two of the four lagoon cells to remove sludge. The total estimated cost is roughly \$1,685,980.

The Village is working on a loan application with the Illinois Environmental Protection Agency (IEPA) Water Pollution Control Loan Program. Currently, an interest rate of 1.35% is being made available to the Village for a twenty-year (20) period. The annual loan repayment amount based upon a \$1,685,980 loan would be roughly \$96,238; each customer would pay a monthly debt fee of roughly \$12.92.

If the Village of Durand secures financing through the IEPA Water Pollution Control Loan Program, there are provisions for incentives for which the Village would be eligible for, such as principal loan forgiveness, a lower loan interest rate and longer loan terms. Taking into consideration the above incentives, Durand is eligible to receive a 1.04% small community interest rate, 30% in principal forgiveness, and has the option of obtaining a longer loan term. Based upon the above financing plan, the Village's final loan amount would be \$1,180,186, with the annual loan repayment of roughly \$65,386, resulting in a monthly debt fee of \$8.77 per user. With the above IEPA incentives, it has reduced the annual loan repayment amount and the monthly debt fee (from an estimated \$12.92 to \$8.77). As part of the planning process, the Village has already implemented a portion of the increased monthly sewer rate needed for the new debt.

As part of the loan application process, IEPA has reviewed the financial impact to users and environmental impact as a result of the proposed project. The Illinois Environmental Protection Agency has noted that the projected average annual residential cost of services is 0.71% of the median household income, and that any amount less than 2% is considered to be affordable under State and Federal loan program criteria. IEPA determined that no significant financial impact to the Durand sewer customers should occur due to the construction of the proposed project under the aforementioned funding possibilities. Additionally, the Agency has completed an environmental review process and has made the determination that adverse effects of the project are unlikely, in that the proposed wastewater system improvements will have little to no potential for having negative environmental impacts related from its construction.

Prior to granting its approval of the proposed project and plan, the IEPA requires that the public be granted an opportunity to comment on the information presented. The Village of Durand is hereby making notice that the IEPA has issued a Preliminary Environmental Impacts Determination report and also making notice that a public hearing for the Wastewater Treatment Plant and Collection System Improvements Project will be held on November 23, 2020 at 7:30 p.m. at Village Hall located at 308 W. Main Street in Durand. After the public hearing, a 10-day public comment period will commence on November 24<sup>th</sup> and will end on December 4<sup>th</sup>. Information on the proposed project and the IEPA Project Summary and Notice are available for public inspection at the Village Hall located at 308 W. Main Street, Durand IL 61024, 815-248-2606 between the hours of 9:00 and 4:00 Monday thru Friday. The information can also be viewed on the Village's website at <a href="https://www.villageofdurand.com">www.villageofdurand.com</a>. During this public comment period, written comments may be provided to the Village of Durand or directly to the IEPA contact person, which is Ellen Watters, Illinois Environmental Protection Agency, Infrastructure Financial Assistance Section, Bureau of Water, 1021 North Grand Avenue East, Springfield IL 62794-9276.

Sherry Bessert
Durand Office Manager



1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276 · (217) 782-3397

JB Pritzker, Governor

John J. Kim, Director

## Project Summary and Preliminary Environmental Impacts Determination

Date: 001 1 3 2029

Loan Applicant: Village of Durand IEPA Loan Project Numbers: L175827

To all interested persons:

Section 365.330 of the Illinois Procedures for Issuing Loans from the Water Pollution Control Loan Program requires that the Illinois Environmental Protection Agency (IEPA) conduct an assessment of the environmental impacts of proposed wastewater projects to be funded with loans. This review is carried out in conjunction with the State's review of the applicant's project plan.

Prior to final approval of the project plan, the public's comments are sought regarding environmental impacts of the proposed project. Unless new information obtained through the public comment process causes reconsideration, the Agency will approve the project plan at the close of the public comment period.

The applicant will make the attached Project Summary and Preliminary Environmental Impacts Determination (PEID) available for public inspection. Within 60 days of receiving this letter, the applicant must conduct a public hearing regarding both the PEID and project planning. Advertisement of the hearing must be made at least 10 days in advance. The advertisement must include the purpose of the project along with the date, time, and location of the hearing. A comment period of at least 10 days shall be provided after the hearing in which written comments may be submitted to the loan applicant or 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.

Your participation in this process is appreciated.

Sincerely,

Heidi Allen

Pre-Construction Unit Manager

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Infrastructure Financial Assistance Section

Bureau of Water

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Attachment

2125 S. First Street, Champaign, IL 61820 (217) 278-5800 2009 Mail Street Collinsville, IL 62234 (618) 346-5120 9511 Harrison Street, Des Plaines, IL 60016 (847) 294-4000 595 S. State Street, Elgin, IL 60123 (847) 608-3131

2309 W. Main Street, Suite 116, Marion, IL 62959 (618) 993-7200 412 SW Washington Street, Suite D, Peoria, IL 61602 (309) 671-3022 4302 N. Main Street, Rockford, IL 61103 (815) 987-7760

## Project Summary and Preliminary Environmental Impacts Determination

The following project summary and environmental assessment has been prepared by the IEPA to assist the loan applicant in complying with the public notice requirements. This report is based on information submitted to the IEPA by the Village of Durand. Sources of information include the following documents: Village of Durand – 2020 Facility Plan, Wastewater Treatment Plant and Collection System Improvements, prepared by Fehr-Graham, dated April 2020.

## Part I - Project Information

**Project Name:** Wastewater Treatment Plant and Collection System Improvements

Project Number: L175827

Loan Applicant: Village of Durand County: Winnebago

Current Population: 1,398 Future Population (20 year): 1,398

**Number Service Connections: 621** 

**Project Description:** The Village of Durand operates a wastewater treatment plant with two influent lift stations. The Village would like to construct a new main influent lift station, including pumps, motors, structure, valve and valve vault. The Village would also modify the standby influent lift station and perform any modifications or installations required for a supervisory control and data acquisition (SCADA) system. Additionally, the Village would like to modify piping associated with the lagoon located at the wastewater treatment plan and dredge two of the four lagoon cells to remove sludge.

**Project Location:** The wastewater treatment plant (WWTP) is in the far northeast corner of the Village of Durand, directly east of 4<sup>th</sup> Street. See attached map for project location.

**Project Justification:** The WWTP, originally constructed in 1959, takes in water via a main lift station and a standby lift station. The capacity of these lift stations is not sufficient for the wet weather flows that have occurred over the past several years. Improvements need to be made to extend the service life of the WWTP.

Estimated Construction Start Date: April 2021

**Estimated Construction Completion Date:** Oct 2021

Project Cost Estimate: Approximately \$1,685,980

## Part II - Project Affordability for Residents and Utility Customers

The Village is proposing to finance the project costs with a loan from the IEPA Water Pollutions Control Loan Program (WPCLP). A \$1,685,980 loan with an interest rate of 1.35% for a twenty

(20) year period would have an annual repayment of approximately \$96,238. The current loan program interest rate is 1.35%. The interest rate adjusts annually on July 1<sup>st</sup>.

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 qualification are found in Sections 365.210 and 365.250 of the Procedures for Issuing Loans from the WPCLP, which is available on the Agency's website. The final decision for incentive qualification 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 Durand is eligible to receive a small community interest rate and partial loan principal forgiveness. The Agency adjusts qualifying criteria annually on July 1<sup>st</sup>.

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.

Source of Loan Repayment: The Village of Durand will use current sewer system funds to repay the annual debt service associated with financing this project. On May 1, 2020, the Village passed an increase to the sewer rate ordinance for the purpose of funding this annual debt service.

Current Monthly Residential Cost of Service: \$30.50 flat fee/user

(\$28.00 flat fee/user prior to May 1, 2020)

Median Household Income (MHI): \$51,293

Percentage of MHI needed to pay the projected average annual residential cost of service: 0.71%

Financial Evaluation of the proposed project: To evaluate the costs of the proposed project for the community, a percentage comparison of MHI to the average, annual cost for water service is utilized. The projected average annual water cost per customer of \$366 is 0.71% of the MHI for the Village of Durand. 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.

## Part III - Environmental Issues Associated With the Project

**Project construction impacts:** The proposed improvements to the wastewater treatment plant (WWTP) will provide greater treatment reliability and will ensure that there will be no degradation of treated effluent. The WWTP will remain compliant with current and future NPDES requirements for the discharge of treated effluent.

During construction, some erosion may occur. Mitigative measures will be required of the contractor and shall be in accordance with the Illinois Procedures and Standards for Urban Soil

Erosion and Sedimentation Control. Other temporary, adverse environmental impacts such as construction-associated noise, blowing dust, and air emissions may occur at the WWTP site.

The proposed project will require a State Construction Permit from the Illinois Environmental Protection Agency, Bureau of Water (IEPA/BOW). A construction permit application has been received by the IEPA/BOW.

Illinois Department of Natural Resources: The loan applicant submitted project information to the Illinois Department of Natural Resources (IDNR), State Historic Preservation Office (SHPO), for consultation under Section 106 of the National Historic Preservation Act of 1966. The Department has concluded that adverse effects are unlikely.

The loan applicant submitted project information to the IDNR EcoCAT website to determine compliance with the Illinois Endangered Species Act, Illinois Natural Areas Preservation Act, the Illinois Wetlands Act, and Title 17 Ill. Adm. Code Parts 1075 and 1090. The Department has concluded that adverse effects are unlikely.

Additionally, the loan applicant submitted project information to the IDNR Office of Water Resources (IDNR/OWR) statewide permit program. All activities of the proposed project will occur outside the floodway of jurisdictional streams, so the applicant will not need an IDNR/OWR permit. However, the construction site is located in a floodplain, so the work may be subject to flood risk.

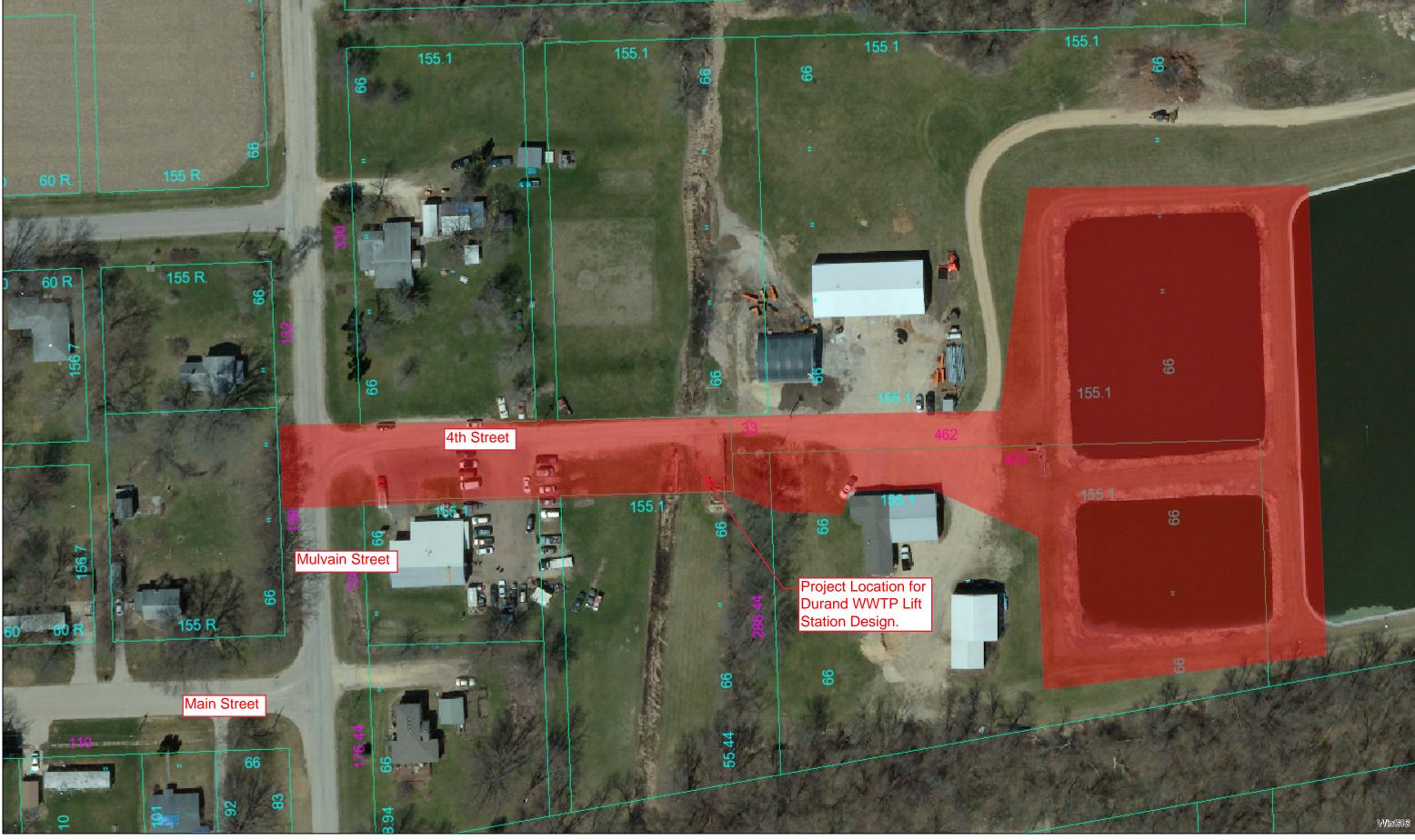
U.S. Army Corps of Engineers (USACOE): No construction will occur at or near a body of water that will require a review/sign-off from the U.S. Army Corps of Engineers.

Illinois Department of Agriculture: The loan applicant submitted project information to the Illinois Department of Agriculture (IDOA). This project was found to comply with the Illinois Farmland Preservation Act and will not involve the conversion of prime agricultural land.

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

Ellen Watters, 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)785-6826

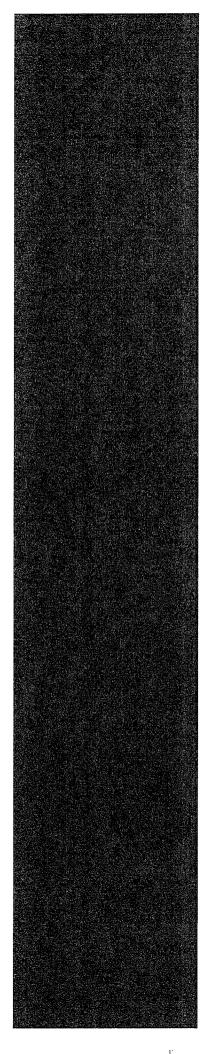
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0 75 150 Feet SCALE: 1:918





## 2020 FACILITY PLAN WASTEWATER TREATMENT PLANT AND COLLECTION SYSTEM IMPROVEMENTS

Village of Durand, Winnebago County, Illinois

**Project No.: 19-932** 

April 17, 2020





200 Prairie Street

Suite 208

Rockford, Illinois 61107

Prepared for:

Village of Durand
308 West Main Street

P.O. Box 166

Durand, Illinois 61024

www.fehr-graham.com

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## 1.0 EXECUTIVE SUMMARY

The purpose of this Facility Plan is to present improvements to the main influent lift station and site improvements within the WWTP owned and operated by the Village of Durand (Village). The proposed improvements will ensure the WWTP operates at appropriate levels and ensure that the WWTP is compliant with current and future NPDES permit requirements.

## 1.1 Applicant and Project Information

The Village of Durand, located in Winnebago County, proposes to construct WWTP improvements. The US Census Bureau estimates the July 2018 population to be 1,398 residents.

## 1.2 **Project Description**

The current WWTP consists of influent pump stations, bar screen chamber, a two stage - four cell aerated lagoon system, rock filters, and a chlorine contact tank. Alternative #1 is recommended, the main lift station replacement alternative. In addition to replacing the lift station and pumps and associated equipment upgrades, lagoon piping will be modified, and two cells of the lagoons will be dredged to remove sludge. See Exhibit B for the project location map.

## 1.3 Project Justification

The plant was originally constructed in 1959 with major upgrades in 1977 and then upgraded again around 2000. The combination of the standby lift station and main lift station is not able to handle all the wet weather flows that have occurred over the past several years. Due to the age of the main lift station and the need for extra capacity for wet weather events, improvements need to be made in order to extend the service life of the treatment plant. A variable frequency drive (VFD) will be installed to ensure longevity of the new wastewater pumps and energy efficiency.

## 1.4 Estimated Construction Start/Completion Dates

October 2020 - March 2021.

## 1.5 Project Cost Estimate

Project cost estimate is \$1,685,980 for the main lift station replacement, Alternative #1.

## 1.6 Project Affordability for Residents and Utility Customers

## 1.6.1 Source of Loan Repayment

The Village will use its current sewer system funds to repay the annual debt service associated with financing the proposed project. The Village has passed an increase to the sewer rate ordinance in advance of the proposed project for the purpose of assisting the sewer funds capability to fund the annual debt service associated with this project.

- 1.6.2 <u>Current Average Monthly Residential Cost of Sewer Service</u> \$28.00 flat fee/user.
- 1.6.3 <u>Proposed Average Monthly Residential Cost of Sewer Service</u>
  As of May 1, of 2020: \$30.50 flat fee/user.
- 1.6.4 <u>Number of Customers or Service Connections</u> 621 users.
- 1.6.5 <u>Median Household Income (MHI)</u> \$45,938.
- 1.6.6 Percentage of MHI to pay the projected cost of service 0.2%.

## 1.7 Environmental Review and Impacts

This improvement project is expected to allow the WWTP to continue to provide treatment and discharge to the North Branch of Otter Creek at levels within current NPDES permit requirements. All construction will take place on previously disturbed land within the current plant site. Initial review through the IDNR EcoCAT system determined no record of state-listed threatened or endangered species, no Illinois Natural Area Inventory sites, no dedicated Illinois Nature Preserves or no registered Land and Water Reserves in the vicinity of the project location. However, the Illinois Wetlands Inventory shows wetlands within 250 feet of the project location.