



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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JB PRITZKER, GOVERNOR

JOHN J. KIM, DIRECTOR

Project Summary and Preliminary Environmental Impacts Determination

Date: MAY 30 2023

Loan Applicant: City of Ottawa

IEPA Loan Project Number: L176297

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 Agency'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 of record.

Your participation in this process is appreciated.

Sincerely,

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

HA:JFPEID - OTTAWA - L176297.DOCX

Attachment

Project Summary and Environmental Assessment

The City of Ottawa has applied to the Illinois Environmental Protection Agency's (IEPA) Water Pollution Control loan program for funding to help finance a wastewater treatment system improvements project. The following project summary and environmental assessment has been prepared by the IEPA to assist the loan applicant comply with the public notice requirements.

This report is based on information submitted to the IEPA by the City of Ottawa. Sources of information include the following documents: the September 15, 2022, New Fox River Second Wastewater Treatment Plant, Pump Station, and Forcemain 2022 Facility Planning Report, with cover letter dated September 1, 2022, and the additional information received on April 17, 2023. The information submitted by the City of Ottawa was prepared by Fehr Graham Engineering & Environmental, Inc.

Part I – Project Information

Loan Applicant: City of Ottawa

County: LaSalle

Project Name: New Fox River Second Wastewater Treatment Plant, Pump Station, and Forcemain

Project Numbers: L176297

Current Population Served: 18,097

Future Population (20 year): 19,100

The City of Ottawa owns and operates a collection system consisting of a network of sanitary sewer lines spanning the City and the Illinois River Wastewater Treatment Plant (WWTP). Individual flows from the residences flow through the network of sanitary sewer lines by gravity. All individual flows accumulate into one of the seventeen different lift stations that are strategically placed throughout the city. The lift stations then use a combination of pumping and gravity to bring the flows to the existing WWTP. A large portion of the existing collection system consists of combined sewers discharging to either the Illinois River or Fox River during wet weather event. The City's Illinois River WWTP is currently rated for a daily average flow (DAF) of 4.0 million gallons per day (MGD) and a daily maximum flow (DMF) of 8.0 MGD. The existing treatment consists of screening, grit removal, aeration basins, secondary clarifiers, chlorination/dichlorination, waste-activated sludge (WAS) thickening, sludge dewatering, and land application. The Illinois River WWTP operates under NPDES Permit Number IL0030384 with the receiving waters listed as the Illinois River.

Project Description: The proposed project consists of the construction of a new second WWTP, collection pump station, sewers, and forcemain that will provide treatment of the collected flows from the currently unsewered homes and planned future growth. The new proposed treatment plant will have a DAF of 0.9 MGD and a DMF of 2.25 MGD.

The new treatment facility would include a plant influent pump station, screening, grit removal, biological nutrient removal (BNR) system including anoxic, anaerobic, and aerobic tanks, secondary clarifiers, tertiary filtration, chlorination, and dichlorination.

Project Location: The City's preferred location for the proposed second wastewater treatment facility is on the east side of the city, located between the Fox River and IL-71. The proposed location can also be seen on the attached project map.

Project Justification: The City is at a critical point where they need additional treatment and collection capacity to allow service to currently unsewered areas and in a planned manner to transport additional sewer flows away from the existing combined sewer system and minimize associated combined sewer overflows (CSOs). A new treatment plant and the recommended improvements to the collection system will create this required capacity and set the City up for future planned growth.

Estimated Construction Start Date: July 2024

Estimated Construction Completion Date: December 2026

Project Cost Estimate: \$29,900,000 (with 10% contingency)

Part II – Environmental Issues Associated with the Project

Project construction impacts: Temporary adverse environmental impacts such as construction-associated noise, blowing dust, air emissions, traffic disruption, and soil erosion will likely occur during construction.

Illinois Department of Natural Resources: The loan applicant submitted project information to the Illinois Department of Natural Resources (IDNR) EcoCAT website to determine compliance with the Illinois Endangered Species Act, Illinois Natural Areas Preservation Act and the Illinois Wetlands Act. The review results indicated that protected resources are in the vicinity of the locations submitted and the project will be further evaluated. An April 27, 2023 letter by IDNR states that the project was reviewed for compliance with Title 17 Illinois Administrative Code Part 1090 of the Interagency Wetland Policy Act and was determined to be in compliance.

In accordance with 17 Illinois Administrative Code 1075.40(h), Ottawa must notify IDNR of their decision regarding the below mentioned recommendations due to the project scope and proximity to protected resources. The following actions must be taken to avoid adversely impacting the protected resources in the vicinity of the project:

1. Fox River IDNR Site: If the project receives funding from the IEPA, or moves forward without State funding, the project must be submitted to the IDNR for the Comprehensive Environmental Review Process (CERP) when project plans become available. This is required due to the potential change in hydrology the developed project could cause on the Fox River Site.
2. Dayton Bluffs Land and Water Reserve: No project related impacts are allowed on the Dayton Bluffs Land and Water Reserve site located to the north of the project area. The boundary should be delineated prior to construction to ensure there are no impacts. Additionally, the project should be resubmitted for consultation via the IDNR EcoCAT application when plans are available, and a more detailed impact analysis can be conducted.

Illinois Historic Preservation Division of IDNR: An IDNR letter dated May 22, 2023 indicates that there are no anticipated impacts to historic, architectural, and archaeological resources from the proposed project and that it complies with Section 106 of the National Historic Preservation Act of 1966.

U.S. Army Corps of Engineers (USACE): Once the Design Drawings are available, the loan applicant will need to submit them to the USACE for consultation. If USACE has any recommendations, the loan applicant will need to incorporate those recommendations into the Plans and Specifications for the project. Final planning approval cannot be issued until comments from the IDNR-OWR are received.

Part III – Project Affordability for Residents and Utility Customers

Construction:	\$22,295,000
Contingency:	\$2,230,000
Construction Engineering:	\$2,450,000
Planning & Design Engineering:	\$2,900,000
Financial/Legal Administration:	\$25,000
Project Total:	\$29,900,000

The applicant is proposing to finance the project costs with a loan from the IEPA Water Pollution Control Loan Program (WPCLP). A \$29,900,000 loan with an estimated interest rate of 2.0% for a twenty (20) year period, would have an annual repayment of approximately \$1,815,109.

The estimated future loan program interest rate is 2.0%. The interest rate adjusts annually on July 1st. 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 Section 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 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 City of Ottawa is eligible to receive a thirty (30) year loan repayment period, reduced interest rate, and principal forgiveness of 15% 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 City of Ottawa does receive the above referenced IEPA loan program incentive reductions, the possible cost savings to the estimated loan repayments can be calculated as follows: 15% principal forgiveness would subtract \$4,485,000 from the \$29,900,000 total estimated project cost, which would leave \$25,415,000 of remaining project cost to be repaid. A \$25,415,000 loan with an estimated interest rate of 1.5% for a thirty (30) year loan repayment period, would have an annual repayment of approximately \$1,052,548.

Source of Loan Repayment: The City intends to use the revenue generated from the user fees to repay the loan.

Current Average Monthly Residential Cost of Service: \$90.42 – combined water and sewer rates.

How is the monthly residential rate/cost of service calculated? Based on average monthly water use of 6,986 gallons (or 933.89 cubic feet(ft³) of water) the average monthly bill can be calculated as follows:

CSO Separation Portion:	\$12 base fee =	\$12.00
Sewer Portion:	\$9.60 base fee + (\$3.22 / 100ft ³) (933.89ft ³) =	\$39.67
TOTAL:		\$51.67

Projected Average Monthly Residential Cost of Service: \$92.82 – combined water and sewer rates.

How is the monthly residential rate/cost of service calculated? Based on average monthly water use of 6,986 gallons (or 933.89 cubic feet(ft³) of water) the average monthly bill can be calculated as follows:

CSO Separation Portion:	\$12 base fee =	\$12.00
Sewer Portion:	\$12.00 base fee + (\$3.22 / 100ft ³) (933.89ft ³) =	\$42.08
TOTAL:		\$54.08

Number of Customers or Service Connections: There are reported to be 7,467 total residential customers that are billed by the City.

Median Household Income (MHI): \$61,083

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 fiscal year's census information. The proposed annual water cost of \$648.96, is 1.06% of the MHI for the applicant's sewer customers. 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:

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Illinois Environmental Protection Agency
Bureau of Water
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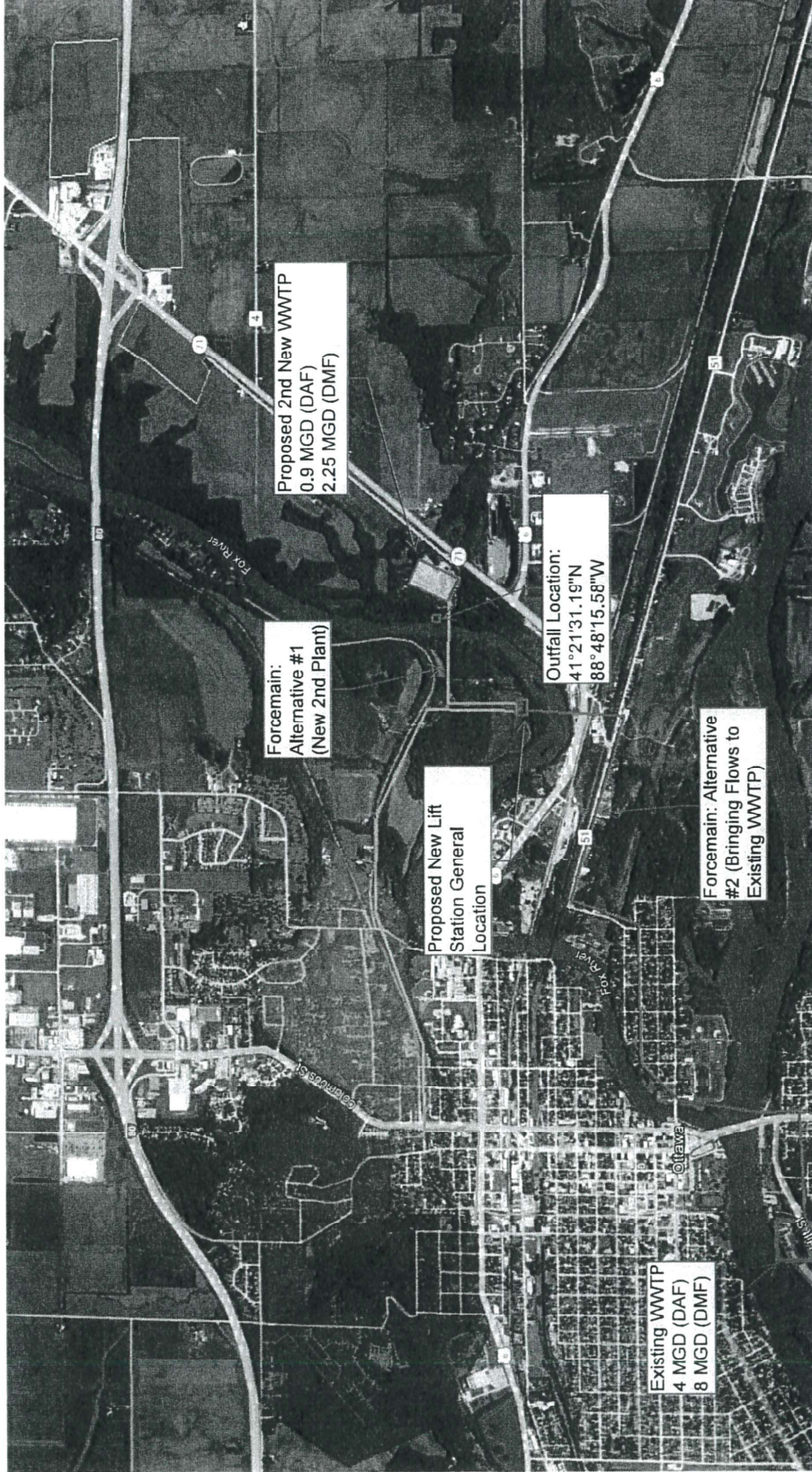
EXHIBIT C - PROJECT LOCATION MAP



LEGEND: UNSEWERED AREAS AND FUTURE GROWTH

	Retz Mobile Home Association
	Fields Hill Improvement Court
	King Mobile Home Court
	Future Growth

Combined Unsewered
Population: 582 P.E
Total Acreage of Future
Growth: 180 Ac., 8418 P.E
Total: 9,000 P.E



- Proposed Forcemain From New Lift Station to WWTP (Alt #1)
- Proposed Gravity Sewer
- Proposed Forcemain from New Lift Station to Existing WWTP (Alt #2)
- Existing Gravity Sewer

PIPING LEGEND:

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