

PUBLIC HEARING LEGAL NOTICE

Notice is hereby given that the Village of Lee will be holding a public hearing on Wednesday, November 1, 2023, at 7:00 p.m. at the Lee Fire Station, 103 Lee Road, Lee, IL. The purpose of this hearing is to discuss proposed Water System Improvements, including construction of Well No. 3 and building improvements, a new .05 MG water tower, and water main improvements. The anticipated cost for these improvements is \$3,432,024.00. The Village of Lee is seeking to fund this project by applying for a loan from the Illinois Environmental Protection Agency (IEPA) Public Water Supply Loan Program. To assist the public notice process, the IEPA has prepared a Project Summary and Preliminary Environmental Impacts Determination (PEID).

A copy of said project summary and PEID is available at the Village of Lee website, www.villageoflee.com. After the public hearing, a comment period of at least 10 days will be provided. Written comments may be submitted to villageofleeclerk@gmail.com or to 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, IL 62794-9276.

Village of Lee, Illinois



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217) 782-3397

JB PRITZKER, GOVERNOR

JOHN J. KIM, DIRECTOR

REVISED
Project Summary and
Preliminary Environmental Impacts Determination

Date: SEP 14 2023

Loan Applicant: Village of Lee

IEPA Loan Project Numbers: L173252 and L176167

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) conduct an assessment of the environmental impacts of proposed public water supply 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.

Your participation in this process is appreciated.

Sincerely,

Gary Bingenheimer, P.E.

Manager

Infrastructure Financial Assistance Section

Bureau of Water

GB: JM: n:\bow\grants\com_docs\mallory\projects\drinking water\lee - 3252-6167-updated-peid (well-tower-watermains).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

REVISED
Project Summary and
Preliminary Environmental Impacts Determination (PEID)

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. Information in this report was obtained, in part, from the following source: Village of Lee's Water System Improvements Project Plan dated May 2019, Planning Submittal Checklist, and cover letter dated May 31, 2019, Revised Project Plan dated July 2019, prepared by Beeh Engineering, P.C., and Amended Project Plan dated September 2023, prepared by Chastain & Associates LLC.

Part I – Project Information

Loan Applicant: Village of Lee

Project Numbers: L173252 and L176167

Project Name: Well, Tower and Water main Improvements

County: Border of DuPage and Lee

Current Population: 313

Future Population (year 2040): 346

Project Description: The Village of Lee is proposing to construct a new public water supply well, new water tower and improve the water distribution system through a multiphase project. The Village plans to construct a new well (Well #3) designed to provide 150 gallons per minute, abandon Well #1 and construct a new 50,000-gallon single pedestal water tower (L173252). The Village also plans to install approximately 1,010' of new 6" water main and 4,020' of new 8" water main. These water mains will replace the 2" and 4" water mains with 6" and 8" mains, as well as replacing the 6" water main piped under the BNSF railroad with a new 8" main installed in a casing pipe (L176167).

Project Location: The new well will be constructed across the street from the Water Works facility. The water tower will be located across the street from the Water Treatment facility. The water main replacement will occur throughout the Village. All proposed project locations are shown on the attached site map.

Project Justification: The Village currently only has one reliable water supply well (Well #2), adding a second well will allow for redundancy in the water system. Well #1 is approximately 115 years old; it has reached the end of its useful life and is no longer active. The Village's 13,000-gallon riveted hydropneumatic tank was found unusable during the June 14, 2017 IEPA field evaluation; this tank had limited storage and was deteriorating. The 50,000-gallon water tower will take place of this riveted tank and allow for a larger storage capacity. Many of the water mains within the Village are considered undersized and are reaching the end of their useful life. The proposed water distribution system improvements will eliminate all 2" and 4" asbestos cement pipe. The new water main will provide looping within the system which will provide adequate fire flow volumes and allow circulation within the system which reduces stale water in the dead-end mains. These improvements will help the Village stay in compliance with state and federal regulations and provide the Village with reliable service and improved water quality to the entire community.

Construction Time Frame: Construction of the well and water tower is projected to begin in March of 2024 and be completed in June of 2025. Construction of the water mains is projected to begin in August of 2024 and be completed in June of 2025.

Project Cost Estimate: \$3,432,024.01
Well and Tower: \$2,107,310.12
Water Mains: \$1,324,713.89

Part II – Environmental Review and Impacts

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

Illinois Department of Natural Resources (IDNR): Project information was submitted to the IDNR EcoCAT to determine compliance with the Illinois Endangered Species Act, Illinois Natural Areas Preservation Act and the Illinois Wetlands Act. Review results dated December 20, 2021, indicated adverse effects are unlikely and terminated their consultation for 17 Ill. Adm. Code Part 1075 and 1090.

Illinois Department of Natural Resources-State Historic Preservation Office (IDNR-SHPO): The loan applicant submitted project information to the IDNR-SHPO to ensure compliance with the National Historic Preservation Act. An IDNR letter dated January 5, 2022, indicated there are no anticipated impacts to historic, architectural, and archaeological resources from the proposed project.

Part III – Project Affordability for Residents and Utility Customers

The applicant is proposing to finance the project costs with a loan from the Public Water Supply Loan Program (PWSLP). All phases together add up to \$3,432,024.01; with an estimated interest rate of 1.81% for a twenty (20) year period, this would result in an annual repayment of approximately \$204,659.

The current loan program interest rate is 1.81%. 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 Lee is eligible to receive a 1.36% small community interest rate and partial 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.

Source of Loan Repayment: Current user fees.

Current Average Monthly Residential Cost of Service: \$79.20

Projected Average Monthly Residential Cost of Service: \$79.20

How is the monthly residential rate/cost of service calculated? The Village of Lee charges customers on a bi-monthly basis. The Village charges a minimum base rate of \$45.00 for the first 2,000 gallons of water used, plus \$26.50 per each additional 1,000 gallons of water used plus an \$18.00 debt service surcharge. For an average of 5,600 gallons used per customer per bi-monthly basis this calculates to: $\$45.00 + (\$26.50 \times 3.6) + \$18.00 = \158.40 , which equals \$79.20 per month.

In order to repay this loan, the Village is anticipating receiving partial principal forgiveness and using current user fees to repay the loan balance. The Village will review their rate structure annually and adjusted accordingly if needed.

Number of Customers or Service Connections: 145 service connections.

Median Household Income (MHI): \$67,500

Financial Evaluation 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 projected annual water cost of \$950.40 is 1.41% 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:

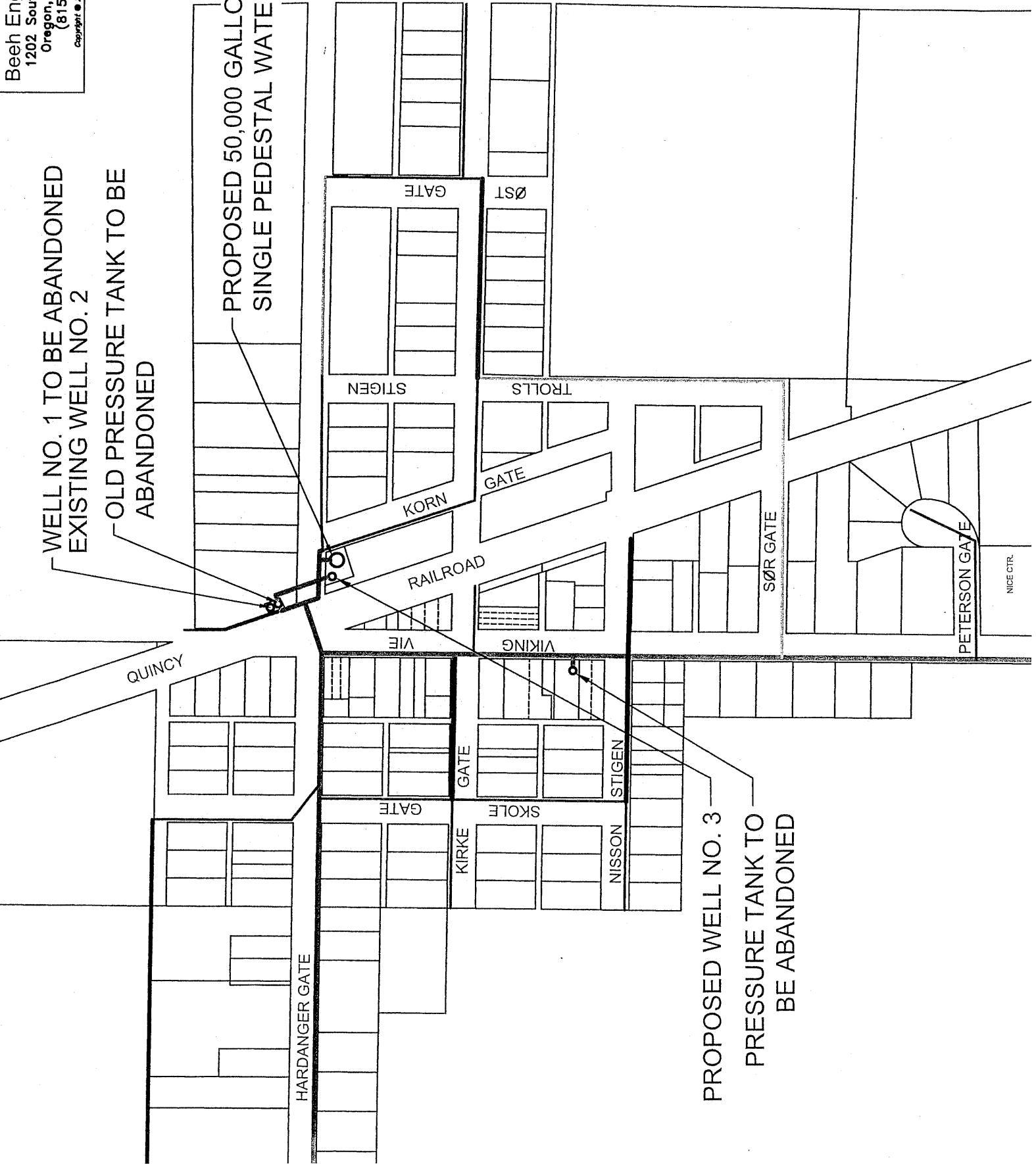
Jasmine Mallory, Project Manager
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WELL NO. 1 TO BE ABANDONED
EXISTING WELL NO. 2
OLD PRESSURE TANK TO BE
ABANDONED

PROPOSED 50,000 GALLON
SINGLE PEDESTAL WATER TOWER

PROPOSED WELL NO. 3
PRESSURE TANK TO
BE ABANDONED



NICE CTR.