

JB PRITZKER, GOVERNOR

JOHN J. KIM, DIRECTOR

Project Summary and Notice of Categorical Exclusion from Detailed Environmental Review

Date:

MAY 0 5 2020

Loan Applicant: City of Collinsville

IEPA Loan Project Number: L173963

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) publish a Notice of Categorical Exclusion for proposed wastewater projects which by their nature are of such limited scope as to have little or no potential for having negative environmental impacts related to their construction. 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

Heidi allen

Infrastructure Financial Assistance Section

Bureau of Water

HA:CLN:Collinsville L173963 CE cover letter

Attachment

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 365.330 (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 exists. All proposed construction is being conducted at the existing facility property and environmental sign-offs have been received from all applicable agencies, therefore the proposed project is categorically excluded from a detailed environmental review.

This report is based on information submitted to the IEPA by the City of Collinsville. Sources of information include the following documents: The Revised January 2020, Biosolids Handling System Upgrade Project Plan for the City of Collinsville Wastewater Treatment Plant, with January 23, 2020 cover letter, which were prepared by Crawford, Murphy & Tilly, Inc.

Part I - Project Information

Loan Applicant: City of Collinsville Project Number: L173963

Project Name: WWTP biosolids handling system improvements

County: Madison

Current Population Served: 32,605 Future Population (20 year): 51,069

Design Average Flow: 5.85 mgd Design Maximum Flow: 9.95 mgd

Project Description: This proposed project consists of wastewater treatment plant (WWTP) biosolids system improvements that will use a dry lime stabilization and pasteurization process, which includes construction of: new mixing and aeration equipment in the existing storage tank; dewatering feed pumps; process building; truck loading bay; biosolids storage facility; dewatering equipment; polymer system; dry lime equipment, storage, and reaction systems; conveyance system; odor control systems; side stream treatment system; purchase of a new front end loader, manure spreader and windrow machine; associated site, civil, electrical, mechanical, and structural work, and construction site restoration.

Project Location: Construction will occur at the existing City of Collinsville WWTP located at 300 Simpson Road, Collinsville, Illinois, 62234. See the attached maps for the project location.

Project Justification: The existing biosolids handling facilities includes aged equipment and produces a liquid sludge that is stored in tanks until it can be applied to neighboring agricultural property. Sludge disposal is currently contracted with the landowner, the application equipment is privately owned, and the times that sludge application can be conducted is restricted. In addition, the existing sludge odor control system is undersized. The upgrades to the sludge process will be designed to meet future treatment operating requirements and allow for increased capacity. The project will provide additional odor mitigation and more options and flexibility for sludge disposal. The upgraded system will allow ease of operation and maintenance and be more cost effective. The proposed option will produce dewatered Class A biosolids, which means there are no disposal location or time frame restrictions. The biosolids handling system

improvements are necessary to allow continued safe and efficient wastewater services for the City of Collinsville WWTP customers.

Estimated Construction Start Date: September 2020

Estimated Construction Completion Date: December 2021

Part II - Project Affordability for Residents and Utility Customers

Project Cost Estimate:

Construction	\$5,640,000
Contingency (10%)	\$560,000
Design Engineering	\$350,000
Construction Engineering	\$360,000
Total Project	\$6,910,000

The applicant is proposing to finance the project costs with a loan from the Water Pollution Control Loan Program (WPCLP). A \$6,910,000 loan with an estimated interest rate of 2.0% for a twenty (20) year period, would have an annual repayment of approximately \$419,478. If the annual loan repayment amount is divided between Collinsville's 9,716 service customers, each customer would pay \$43.18 per year, which equals \$3.60 per month.

The current 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 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 City of Collinsville is not eligible for any loan reduction incentives.

Source of Loan Repayment: The planning report indicates that the proposed biosolids improvements will result in an estimated annual savings of \$453,000 due to reduced operational and maintenance costs. These cost savings are expected to cover the annual loan repayment and no change to the existing wastewater service charge is anticipated because of this project.

Current Average Monthly Residential Cost of Service: Collinsville indicates that an average residential customer uses 4,385 gallons of water per month, which calculates to a cost \$31.75 per month for sewer service. The Collinsville WWTP provides wastewater treatment for the City of Maryville. Maryville's cost for wastewater treatment is determined each year based on their metered flow, and they pay only the actual operation, maintenance and debt service expenses incurred by Collinsville. The City of Maryville sets their own sewer collection system user charges.

How is the monthly residential rate/cost of service calculated? Collinsville's sewer user charges are based on a volume charge of \$7.24 per 1,000 gallons of water used. For an average 4,385 gallons user, this calculates to: \$7.24 x 4.385 = \$31.75 per monthly billing period.

Projected Average Monthly Residential Cost of Service: The projected average cost for service is the same as the current cost of \$31.75 per monthly billing period.

Number of Customers or Service Connections: The City of Collinsville has a population of 24,621. The City of Maryville has a population of 7,984. The total population served by the Collinsville WWTP is 32,605. The City of Collinsville currently has a total of 9,716 sewer service customers which include: 9,081 residential, 635 public or commercial, and provides wastewater treatment for the City of Maryville.

Median Household Income (MHI): The Collinsville WWTP serves the Cities of Collinsville and Maryville. The City of Collinsville has an MHI of \$51,968, and the City of Maryville has an MHI of \$83,141. Based on the population served in each of these areas, the weighted average MHI for the Collinsville WWTP sewer service customers is \$59,602.

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's listed above are from the current fiscal year's census information. The projected annual sewer cost of \$381.00, is 0.64% of the weighted average MHI for the Collinsville WWTP 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 reduction or principal forgiveness.

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

Chris Nifong, 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



