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STATE OF MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

FINANCE DIVISION



PHILLIP D. ROOS DIRECTOR

April 15, 2025

TO: All Interested Citizens, Organizations, and Government Agencies

SUBJECT: FINDING OF NO SIGNIFICANT IMPACT City of Eaton Rapids, Eaton County Water Treatment and Distribution System Improvements Drinking Water State Revolving Fund Project Number 7520-01

The purpose of this notice is to seek public input and comment on a preliminary decision by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) that an Environmental Impact Statement (EIS) is not required to implement recommendations discussed in the attached Environmental Assessment of a water supply project planning document submitted by the applicant mentioned above.

HOW WERE ENVIRONMENTAL ISSUES CONSIDERED?

Part 54, Safe Drinking Water Assistance, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, being Sections 324.5401 to 324.5418 of the Michigan Compiled Laws Annotated, requires EGLE to evaluate all environmental implications of a proposed water supply project. EGLE has done this by incorporating a detailed analysis of the environmental impact of the proposed alternatives in its review and approval process. A project planning document was prepared by the applicant and reviewed by the State. EGLE has prepared the attached Environmental Assessment and found that the proposed project does not require the preparation of an EIS.

WHY IS AN EIS NOT REQUIRED?

Our environmental review concluded that no significant environmental impacts would result from the proposed action. Any adverse impacts have either been eliminated by changes in the project planning document or will be reduced by the implementation of the mitigative measures discussed in the attached Environmental Assessment.

HOW DO I GET MORE INFORMATION?

A map depicting the location of the proposed project is attached. This information is also available on our website at <u>Michigan.gov/SRF</u> under "Environmental Project Reviews." The Environmental Assessment presents additional information on the project, alternatives that were considered, impacts of the proposed action, and the basis for our decision. Further information can be obtained by calling or writing one of the contact people listed below.

HOW DO I SUBMIT COMMENTS?

Any comments supporting or disagreeing with this preliminary decision should be submitted via email to <u>EGLE-WIFFS@Michigan.gov</u> or to me at EGLE, FD, Constitution Hall, P.O. Box 30457, Lansing, Michigan 48909-7957. We will not take any action on this

Finding of No Significant Impact Page 2 April 15, 2025

project planning document for 30 calendar days from the date of this notice in order to receive and consider all comments.

WHAT HAPPENS NEXT?

In the absence of substantive comments during this period, our preliminary decision will become final. The applicant will then be eligible to receive loan assistance from this Agency to construct the proposed project.

Any information you feel should be considered by EGLE should be brought to our attention. If you have any questions, please contact Mr. David J. Worthington, senior project manager, at 517-554-1835; WorthingtonD@Michigan.gov; or you may contact me. Your interest in this process and the environment is appreciated.

Sincerely,

Dan Beauchamp

Dan Beauchamp, Section Manager Water Infrastructure Funding and Financing Section Finance Division 517-388-3380

Attachment

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY Drinking Water State Revolving Fund (DWSRF) City of Eaton Rapids, Eaton County Water Treatment Plant and Distribution System Improvements Environmental Assessment April 2025

PROJECT IDENTIFICATION

Applicant:	City of Eaton Rapids
Address:	200 S. Main Street Eaton Rapids, Michigan 48827
Authorized Representative:	Mr. Robert Pierce, Utilities Director
Project Number:	7520-01

PROJECT BACKGROUND

The city of Eaton Rapids (Eaton Rapids) is located in the southeast corner of Eaton County approximately 20 miles southwest of the city of Lansing. Eaton Rapids is applying for a DWSRF low interest loan to finance drinking water infrastructure improvements including replacement 35,755 linear feet (Ift) of water main and associated lead service lines (LSLs), installation of three water main loops in the distribution system, and water treatment plant (WTP) upgrades. The estimated cost to construct the project is approximately \$33,810,000. The DWSRF was able to offer Eaton Rapids a \$27,048,000 loan and a State Lead and Infrastructure (LI) Grant up to \$6,762,000 made available to applicants identified by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) criteria as financially overburdened and proposing LSLR. The average residential user could expect to see a monthly billing increase of approximately \$39.45 as a result of a project at this cost. This amount may decrease because of the LI Grant Eaton Rapids has qualified for.

PROJECT BACKGROUND

Eaton Rapids has six groundwater wells located in two well fields. In general, the wells are in good condition and receive regular maintenance. An iron removal WTP was constructed in 1946 and uses the aeration-detention-filtration method of iron removal. A new aerator/detention tank was constructed in 1990. Two vertical centrifugal high service pumps take suction from the detention tank and discharge flow through the pressure filters and into the distribution system. The pumps were installed in 1958 and have received maintenance most recently in 1994. Both high service pumps were rebuilt in 1994, however, the expected service life of the pumps has been exceeded. The treatment plant's three filters were last rehabilitated in 2000 and are well beyond their expected service life.

There are two elevated storage tanks in the city, one on West Street built in 1959 and one south of the high school built in 1991. They are in good condition and should be satisfactory for the foreseeable future with routine maintenance.

The Eaton Rapids water distribution system is comprised of cast iron, ductile iron and cementasbestos water main pipe in sizes ranging from 2-inches to 12-inches in diameter. Four river crossings connect the east and west areas of the distribution system. Older residential areas tend to be served by aging undersized mains. These older undersized mains have associated with them an unknown number of private services suspected to be constructed with lead or galvanized pipe formerly connected to lead. Water meters range in age but are in generally good condition.

PROPOSED PROJECT

A. Project Need

The Eaton Rapids water distribution system pipe is prone to water main breaks in its aging and undersized 4-inch diameter water mains. In addition, there are water valves within the system that are inoperable. The system includes water services constructed with lead and galvanized pipe, which must be replaced to comply with the Michigan Lead and Copper Rule (LCR). A Community Technical, Managerial, and Financial Support for Lead Line Replacement (TMF) grant has recently been obtained by the city to assist in completing an inventory of service lines in the system. The TMF grant funds will assist Eaton Rapids in identifying the location of lead and galvanized service lines so they can prioritize them for replacement.

In addition to areas in need of water main replacement, there are a few dead ends in the distribution system where a loop should be constructed to eliminate stagnant water accumulation. They are located on Broad Street, Osborn Street, Hale Street, Blake Street, and McArthur River Drive.

The Eaton Rapids WTP has filters and high service pumps that are well beyond their expected design life and in need of replacement. Stairs to access the top of the detention tank are also needed to improve accessibility to assist with maintenance of the high service pumps. The WTP iron removal filter backwash system requires improvement.

B. Alternatives Considered

No-action Alternative

No action is not appropriate for the WTP as the filters are well beyond their service life and not replacing them would result in a failed treatment system with a significant degradation in the water quality delivered to customers. The high service pumps have also exceeded the typical 20-year service life and should be replaced. Stairs to the top of the detention tanks should be constructed to improve accessibility to the high service pumps for maintenance. The smaller diameter water distribution lines should be replaced to improve reliability and overall safe, quality drinking water for users. Lead is a health hazard and lead pipes have the potential to leach contaminants into the water system as they age and are required to be replaced by the LCR. No action will cause a continuous risk to public health and safety. As a result, this alternative was not considered.

Regional Alternative

The Eaton Rapids WTP is already a regional system for the surrounding area. In addition, there are no other regional systems close enough to be practical and cost effective for the city to connect with. As a result, this alternative was not considered.

Optimization of Existing System

The problems noted above cannot be solved with improved maintenance. Inadequate and outdated facilities must be replaced to improve the water quality of the system. As a result, this alternative was not considered.

Construction Alternative

For the distribution system, water main replacement, LSLR, and looping of dead ends are the only feasible alternatives. Open cut construction and directional drilling methods were compared. A mixture of both methods will likely be used for replacement, with directional drilling favored in areas where surface restoration should be kept to a minimum. Sedimentation should be minimized due to environmentally sensitive areas nearby, where the added cost of horizontal drilling can be offset by savings on restoration, in places where fewer service connections are needed, and/or where obstructions such as trees or existing utilities are limiting factors. The proposed segments of water main replacement and looping total 37,200 lft of 6-inch, 8-inch, and 12-inch diameter pipe. Eaton Rapids estimates 50 LSLRs will be needed in the areas of water main replacement. Replacing the filters and high service pumps at the treatment plant are the only feasible alternative for each asset.

Selected Alternative

The Eaton Rapids City Council has chosen to implement the Construction Alternative which includes the replacement and installation of 23,315 lft of 8-inch diameter water main and 12,440 lft of 12-inch diameter water main (See Figure 1 red lines for WM locations). All lead and galvanized water services associated with the proposed water main will be replaced with new copper pipes. It is estimated that approximately 50 lead or galvanized service lines will require replacement. In accordance with the Michigan LCR, service lines may be replaced from the water main to the curb stop or from the water main to the first shutoff valve, or 18-inches within the house or structure depending on the existing pipe material. In addition, three water main loops will be installed totaling 1,445 lft. Filter and high service pumps at the WTP will also be replaced, and stairs to the top of the detention tanks will be constructed to improve accessibility to the high service pumps. (See Figure 1 for project locations).

C. Project Cost and Implementation

The cost of the proposed project is estimated to be \$33,810,000. Eaton Rapids will finance the project with a \$27,048,000 40-year DWSRF loan at 2.0 percent interest and with a State LI Grant up to \$6,762,000 made available to applicants identified by EGLE criteria as financially overburdened and completing a project with LSLR. The average residential user could expect to see a monthly billing increase of approximately \$39.00 to pay for a project at this cost. However, this amount may notably decrease because of the expected State LI grant that Eaton Rapids qualifies for. A DWSRF loan closing is anticipated in late August 2025, with construction beginning within 60 days afterward. Eaton Rapids has the financial, legal and managerial and operational capability to complete the project.

PROJECT IMPACTS

A. Water Quality Impacts

The Grand River is the only major surface water body in the study area. It is not a designated wild/scenic river. No negative impacts to surface water are expected from the project. Some of the water main replacements will encroach upon the river floodplain. A joint EGLE/Army Corps

of Engineers permit will be obtained to ensure no negative impact to the floodplain occurs. Backwash discharge at the WTP will necessitate a permit from EGLE's Water Resources Division.

B. Construction Impacts

Construction will cause some noise, road disruption and traffic control issues. These will be temporary in nature. A construction permit will be obtained. Other permits required will be a Michigan Department of Transportation right-of-way permit, a soil erosion and sedimentation control permit, and stormwater management/dewatering permits. Homes or businesses with LSLs will experience some property and service disruption to replace the service line and to make the new connection. During the project, the city and its consultants C2AE are considering notification options of door hangers, the city website, social media, a designated email address, telephone, and ArcGIS Survey123, or any combination of the above, for informing residents of service disruption.

C. Operational Impacts

A filter backwash reclamation system will be utilized to capture and recycle backwash back into the treatment process, thus significantly reducing the backwash volume sent to the wastewater treatment plant. In the distribution system, water main breaks or leaks will be much less likely to occur.

D. Primary Impacts

Direct disruption of road surfaces, noise, dirt and dust, traffic detours and the like will be short term impacts only and cease once the work is completed.

E. Secondary Impacts

The Eaton Rapids water system already has adequate capacity for internal growth and these improvements are not anticipated to stimulate growth. Fire flow capacity will be improved but is not the main purpose for the improvements.

PUBLIC PARTICIPATION

A public hearing was held at the Eaton Rapids City Hall on Monday, June 13, 2022. This hearing was publicly noticed in the local paper on May 14, 2022, with the draft project plan available for review at City Hall. Eaton Rapids passed a resolution adopting the project plan on June 13, 2022, following the public hearing. A second public meeting was held at City Hall on May 22, 2023, on a Project Plan Amendment, which added looping to the project alternatives. This meeting was likewise advertised in the local paper on May 6, 2023, with the draft project planning document available as of May 10, 2023, for public viewing at City Hall. Comments received were supportive of the project.

REASONS FOR CONCLUDING NO SIGNIFICANT IMPACTS

The proposed project has minimal temporary negative environmental impacts but offers substantial benefits of enabling the city to provide safe, reliable drinking water to its customers to protect public health and comply with state regulations. These improvements will enable the WTP and distribution system to function more optimally.

Questions regarding this Environmental Assessment should be directed to:

Mr. David J. Worthington, Senior Project Manager Water Infrastructure Funding and Financing Section Finance Division Michigan Department of Environment, Great Lakes, and Energy P.O. Box 30457 Lansing, Michigan 48909-7957 Telephone: 517-554-1835 Email: WorthingtonD@Michigan.gov





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