



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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Project Summary and Notice of Categorical Exclusion from Detailed Environmental Review

Date: **JAN 26 2016**

Loan Applicant: City of Evanston

IEPA Loan Project Number: L175108

To all interested persons:

Section 662.520 of the Illinois Procedures for Issuing Loans from the Public Water Supply Loan Program requires that the Illinois Environmental Protection Agency (IEPA) publish a Notice of Categorical Exclusion for proposed water supply projects which are of limited scope and have little or no potential for causing negative environmental impacts. 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,

A handwritten signature in black ink, appearing to read "Heidi Allen".

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

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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 662.520 (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.

This report is based on information submitted to the IEPA by the City of Evanston. The source of information includes the following document: Project Plan Amendment No. 1 – Treated Water Storage Improvements for the City of Evanston prepared by City of Evanston Engineers dated March 2015.

Part I – Project Information

Project Name: Treated Water Storage Improvements

Loan Applicant: City of Evanston

County: Cook

Project Number: L175108

Current Population: 75,570

Future Population (20 year): 79,529

Project Description: Evanston is proposing to replace the 1934 clear well located across the street from the Water Treatment Plant. The City stores finished water in eight clear wells prior to distribution. The new clear well would be constructed in approximately the same location as the existing 1934 clear well, but shifted slightly east to allow for the relocation of North Campus Drive to the west of the new clear well. In order to work within the plant's existing hydraulic profile, the new clear well would need to be constructed at approximately the same elevation as the existing clear well, which means it would not meet the Ten States Standards requirement for locating clear wells above groundwater levels. The proposed design includes groundwater mitigation measures and a variance request will be included with the construction permit application to address this issue. The replacement clear well will be hydraulically connected to the eight existing clear wells and fed by gravity. It will drain by gravity to the high lift pumping station where water is pumped to the distribution system. A new emergency volume pumping system will allow the entire tank volume to be utilized in an emergency. Currently, only 60% of the gross storage volume (approximately 3.0 MG) can be used for emergency purposes due to plant hydraulic limitations. The emergency pump will discharge directly to the feeder main leaving the water treatment plant at a pressure equivalent to the existing high lift pumps.

Project Location: The new 5.17 MG clear well will be constructed near the current location of the City of Evanston Water Treatment Plant just slightly further to the East. See attached map for project location.

Project Justification: The condition of the 1934 clear well indicates the need for replacement. The roof slab is failing and a structural analysis determined additional deterioration is expected within the next five years. In addition, the structure was constructed prior to modern design requirements for treated water storage, and does not conform to current standards for venting,

overflow, or baffling. Replacement of the clear well will correct these issues and allow for the full capacity of the tank to be utilized in emergency situations.

Estimated Construction Start Date: February 2017

Estimated Construction Completion Date: April 2018

Project Cost Estimate: \$20,550,000.00

Part II – 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). Annual repayments on a PWSLP loan in the amount of \$20,550,000.00 at an estimated interest rate of 1.86% for a term of twenty (20) years are \$1,231,224.00. There is the possibility that the annual repayment amount could change slightly due to the change of the interest rate annually on October 1.

The Northwest Water Commission (NWC) is a wholesale water customer of the City of Evanston. The NWC's wholesale rate is calculated, in part, based on the value of Evanston Water Utility Assets. Therefore, the customers located within the City of Evanston would be responsible for approximately 12% of the repayment fees for the repayment of this loan and the wholesale customers located within the NWC will be responsible for approximately 88% of the repayment fees. No rate increase is anticipated to be necessary for the customers located within the City of Evanston; the annual debt service for City of Evanston users is expected to be absorbed into existing retail water rates. However, there will be a slight increase to NWC's wholesale charges to fund this project. The increase to NWC's wholesale charges will equate to about \$0.16 per 1,000 gallons.

Source of Loan Repayment: User fees

Current Average Monthly Residential Cost of Service: \$13.81 Evanston customers/ \$4.76 wholesale amount NWC customers (This does not include user rates applied within the NWC to its customers)

Projected Average Monthly Residential Cost of Service: \$13.81 Evanston customers/ \$5.88 wholesale amount NWC customers (This does not include user rates applied within the NWC to its customers)

Average Monthly Residential Water Use: 7.05 CCF (CCF = 100 cubic feet) or 5,273 Gallons for Evanston customers/ 7,000 Gallons NWC customers

Number of Customers or Service Connections: 14,547

How is the monthly residential rate/cost of service calculated? Customers within the City of Evanston are as follows: (bi-monthly charge \$7.78 for the first 5 CCF) + \$2.18 for each additional CCF [$\$7.78 + (9.1 \times \$2.18)$] = \$27.62 bi-monthly.

Median Household Income (MHI): \$67,038.00 for Evanston customers/ \$75,711 for NWC customers

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

0.2% for Evanston customers/ 0.1% for wholesale rates for NWC customers

Annual Cost of Service/MHI is an affordability ratio used by IEPA. If less than 2% of the median household income is required to pay the average, annual residential user rate, the project is considered affordable by IEPA standards.

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

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Project Location Map

