



# ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

2520 WEST ILES AVENUE, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217) 782-3397

JB PRITZKER, GOVERNOR

JAMES JENNINGS, ACTING DIRECTOR

## Project Summary and Preliminary Environmental Impacts Determination

Date: **MAR 05 2025**

Loan Applicant: City of Sandwich

IEPA Loan Project Numbers: L177465-L177467 & L177490-L177493

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. After receiving this letter, the loan 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.

Your participation in this process is appreciated.

Sincerely,

Nidhan Singh, M.B.A  
State Revolving Fund Manager  
Infrastructure Financial Assistance Section  
Bureau of Water

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peid.docx

Attachment(s)

2125 S. First Street, Champaign, IL 61820 (217) 278-5800

115 S. LaSalle Street, Suite 2203, Chicago, IL 60603

1101 Eastport Plaza Dr., Suite 100, Collinsville, IL 62234 (618) 346-5120

9511 Harrison Street, Des Plaines, IL 60016 (847) 294-4000

595 S. State Street, Elgin, IL 60123 (847) 608-3131

2309 W. Main Street, Suite 116, Marion, IL 62959 (618) 993-7200

412 SW Washington Street, Suite D, Peoria, IL 61602 (309) 671-3022

4302 N. Main Street, Rockford, IL 61103 (815) 987-7760

## **Project Summary and Environmental Assessment**

The City of Sandwich has applied to the Illinois Environmental Protection Agency's (IEPA) Public Water Supply Loan Program (PWSLP) to request funding to help finance multiple drinking water improvements projects. 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. This report is based on information submitted to the IEPA by the City of Sandwich. Sources of information include the following documents: Project Plan Water System Improvements prepared by Engineering Enterprises, Inc. dated January 2025 and other information compiled by the IEPA.

### **Part I – Project Information**

**Project Name:** Water System Improvements

**Loan Applicant:** City of Sandwich

**County:** DeKalb

**Project Numbers:** L177465, L177466, L177467, L177490, L177491, L177492, & L177493

**Current Population:** 7,212

**Future Population (25 year):** 10,669

**Project Description:** The proposed work will involve the demolition of the Railroad Street Water Treatment Plant (WTP), the expansion of the Clark Street WTP to allow for operation and treatment of Well no. 3 with the addition of HMO and pressure filtration for radium removal, the conversion of Wells no. 1 & no. 2 to submersible equipment and pitless adapters, the installation of a new booster pump and pressure reducing valve station to establish a new pressure zone for the northwest portion of the City, the removal and replacement of approximately 54,000 lineal feet of undersized watermain, and all related appurtenances.

**Project Locations:** Work for the projects will occur throughout the City. Please see attached maps for precise project locations.

**Project Justification:** The existing water treatment plant at Railroad Street is in critically poor condition. The building has severe structural issues and is in danger of catastrophic failure. In order to decommission and demolish the building the treatment capacity must be transferred to the existing Clark Street WTP. This necessitates the expansion of the Clark Street WTP to accommodate the additional treatment capacity. Water modeling has shown that a new pressure zone should be added to serve the northwest portion of the City's water system. This area frequently experiences low water pressures. The addition of a new booster pump and pressure reducing valve station will allow the addition of a new pressure zone for this part of the City. This work will ultimately improve flows and water pressures for this section of the City. Additional pressure and flow issues throughout the City occur as a result of severely undersized watermains. The City has several thousand feet of 2" and 4" watermains throughout its distribution system. The

multi-year watermain replacement work will remove and replace these sections of undersized watermain in order to improve flow rates and pressures in the system. The combined improvements proposed by the City are necessary in order to ensure safe and adequate water service for residents.

**Estimated Construction Start Date:** March 2026 (WTP Demo/Expansion, Watermain Replacement Year 1, and Booster Pump/Pressure Reducing Valve Station)

**Estimated Construction Completion Date:** September 2031 (Final Year of Watermain Replacement)

**Combined Project Cost Estimate:** \$17,239,000.00

## **Part II – Project Affordability for Residents and Utility Customers**

The applicant is proposing to finance the project costs with multiple loans from the Public Water Supply Loan Program (PWSLP). Loans issued from the PWSLP typically have an interest rate of 1.87% and a loan term of twenty (20) years. Annual repayment on multiple loans totaling \$17,239,000.00, assuming the standard loan terms, would be \$1,033,822.00.

The loan program rules include provisions for incentives such as reduced interest rates, partial principal forgiveness (a reduction in the amount of principal borrowed that would otherwise have to be repaid), and extended repayment periods for qualifying applicants. 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. The Agency adjusts qualifying criteria annually on July 1<sup>st</sup>. Using current data, the City is eligible to receive a reduced interest rate, partial principal forgiveness, and an extended loan term. Principal forgiveness is not guaranteed until a loan agreement is issued.

The final loan and annual repayment amounts will be based on the as-bid project costs, and the loan terms in effect on the date the loan agreements are issued. A rate increase will be necessary to repay the combined loans.

**Source of Loan Repayment:** User Fees

**Average Quarterly Residential Water Use:** 17,199 gallons.

**Current Average Quarterly Residential Cost of Service:** The City currently charges water service customers on a quarterly basis. Currently the City charges a flat rate of \$20.00 with each 1,000 gallons of usage billed at a rate of \$7.40. Assuming an average quarterly usage of 17,199 gallons the average quarterly cost of service can be shown as follows:  $\$20.00 + \$7.40(17,199/1,000) = \$147.27$ .

**Projected Average Quarterly Residential Cost of Service:** The debt service to repay a loan in this amount would equate to a charge of approximately \$91.74 per for each of the 2,817 residential customers per quarter. Assuming an existing average residential cost of service of \$147.27 per quarter, the projected quarterly cost of service can be shown as follows:  $\$91.74 + \$20.00 + \$7.40(17,199/1,000) = \$239.01$ .

**Number of Customers or Service Connections:** 2,817 residential customers.

**Median Household Income (MHI):** \$81,280.00

**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 \$956.04 is 1.18% 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.

### **Part III – Environmental Review**

**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 may be in the vicinity of some of the locations submitted. Follow up letters from IDNR determined that adverse effects are unlikely and terminated consultation for 17 Ill. Adm. Code Parts 1075 and 1090. This indicates that there are no anticipated impacts to threatened and endangered species, wetlands, or other natural areas from the proposed projects.

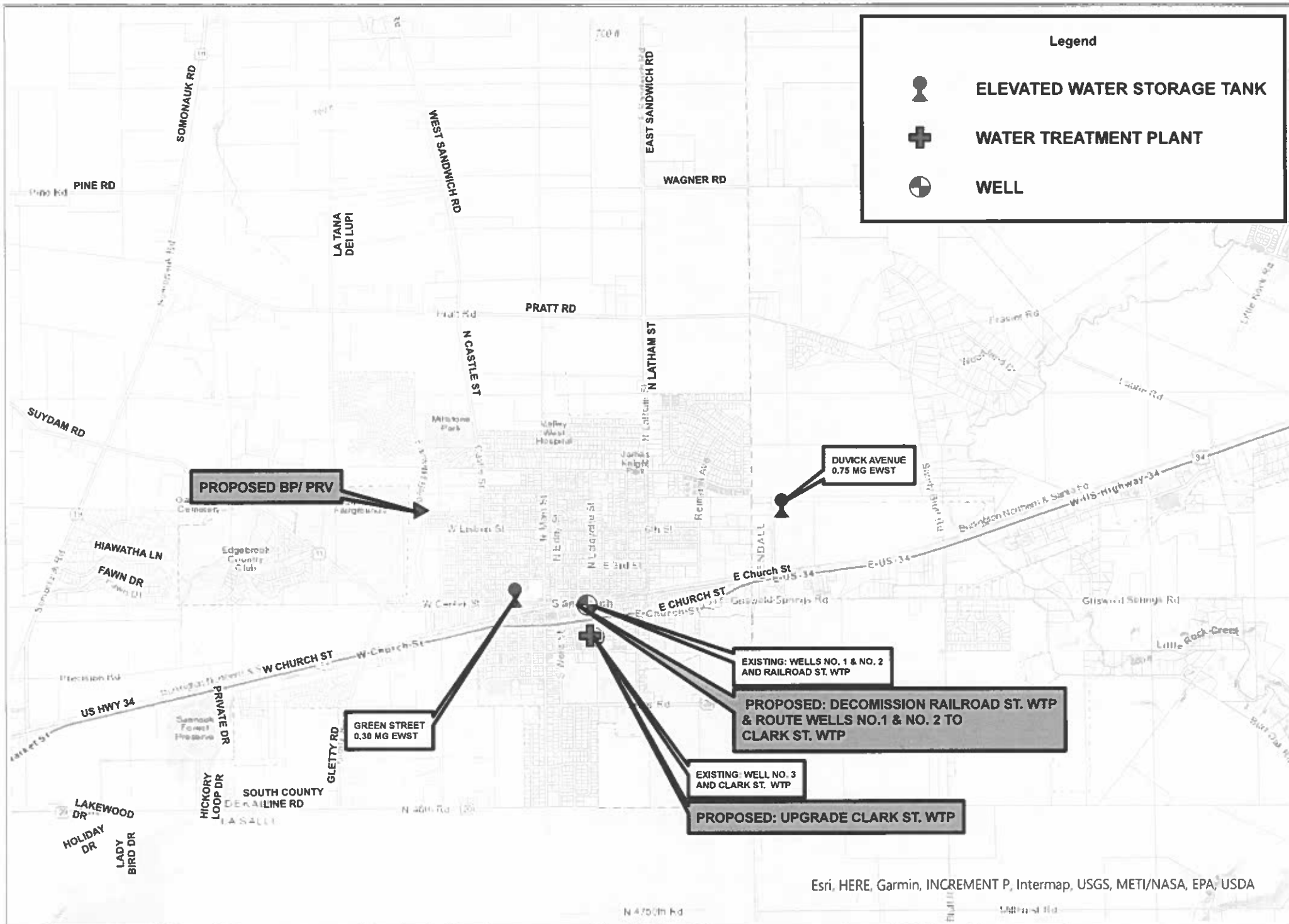
**State Historic Preservation Office:** The loan applicant submitted project information to the IDNR State Historic Preservation Office (SHPO) for consultation under Section 106 of the National Historic Preservation Act of 1966. The applicant received a letter from INDR indicating that there are no anticipated impacts to historic, architectural, and archaeological resources from the proposed projects.

**Tribal Consultation:** The loan applicant submitted project information to interested Tribal Organizations regarding proposed ground disturbance as a result of the project. The Forest County Potawatomi Community (FCPC) responded to the request for consultation and indicated that they would like to be a consulting party. The FCPC concluded that based on the information provided the proposed project would most likely not impact any cultural or historical properties with significance to the community. In the event that cultural or archaeological resources are identified during construction the FCPC requests that work cease immediately and that they be consulted about how to address the find. Other tribal entities have not yet responded to the requests for consultation.

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

David J. Otto, Project Manager  
Infrastructure Financial Assistance Section  
Illinois Environmental Protection Agency  
Bureau of Water  
P.O. Box 19276  
2520 W. Iles  
Springfield, Il. 62794-9276

(217)782-2027



Legend

ELEVATED WATER STORAGE TANK

WATER TREATMENT PLANT

WELL

Esri, HERE, Garmin, INCREMENT P, Intermap, USGS, METI/NASA, EPA, USDA







**Figure 1**

Rock Island District

### St. Louis District

Chicago District

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Local Newspaper of Record

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Consulting Engineer

Stephen Dennison

Engineering Enterprises, Inc.

52 Wheeler Road

Sugar Grove, IL 60554

     x Other Interested Parties

BCC: Chron File

Planning Folder

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Scan to: David Otto

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Project Manager: David Otto

Date: 03/03/2025

Copies of the Preliminary Environmental Impacts Determination/Notice of Categorical Exclusion have been mailed to the above entities.

Signed: 

Date: 3.5.25

WPCLP Mailing List Environmental Review (Edit Date: 4/20/2017)