

**CITY OF ROCKFORD, ILLINOIS  
NOTICE OF PUBLIC HEARING:**

NOTICE IS HEREBY GIVEN, that the City of Rockford, Illinois is seeking Illinois Environmental Protection Agency Public Water Supply Loan Program (PWSLP) funding for a new water treatment facility and replacement of an existing reservoir tank. The City of Rockford has prepared a detailed Project Plan regarding this project, and the proposed financing of the project is through the Illinois Environmental Protection Agency (IEPA) Public Water Supply Loan Program. As a condition of the proposed funding, a Project Summary and Preliminary Environmental Impact Determination (PEID) has been prepared by IEPA. Detailed information on the project, together with the Illinois Environmental Protection Agency's (IEPA) Preliminary Environmental Impact Determination (PEID) documents, will be available for public inspection at the Rockford Water Department located at 1111 Cedar Street, Rockford, Illinois 61102. 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.

Persons and/or organizations wishing to make a statement on the proposed project or the PEID for the project will be asked to identify themselves and their respective interest at Rockford Water Department, located at 1111 Cedar Street, Rockford, IL between the hours of 8:00 a.m. and 5:00 p.m. Written statements regarding the subject of the PEID for the project will be accepted until 10 days after the Public Hearing on February 12, 2024 at 10:00 am, and should be addressed to the IEPA as indicated in the Preliminary Environmental Impact Determination document. Written comments can be directly submitted to IEPA to the attention of David Otto, Infrastructure Financial Assistance Section, 1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276. Public comments may also be emailed to [jamie.rott@rockfordil.gov](mailto:jamie.rott@rockfordil.gov).



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

## Project Summary and Preliminary Environmental Impacts Determination

Date: JAN 09 2024

Loan Applicant: City of Rockford

IEPA Loan Project Numbers: L176769/L175691

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 of record.

Your participation in this process is appreciated.

Sincerely,

Gary Bingenheimer, P.E.

## Manager

## Infrastructure Financial Assistance Section Bureau of Water

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peid cover draft.docx

## Attachment

## **Project Summary and Environmental Assessment**

The City of Rockford has applied to the Illinois Environmental Protection Agency's (IEPA) Public Water Supply Loan Program (PWSLP) to request funding to help finance a drinking water system improvement project. 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 by the City of Rockford. Sources of information include the following documents: Project Plan Report submitted by Fehr Graham Engineering and Environmental dated July 12, 2023 and additional information compiled by the IEPA.

### **Part I – Project Information**

**Loan Applicant:** City of Rockford (City)

**Project Numbers:** L176769/L175691

**Project Name:** New Well and Well House (6769)/ Rehab Stanley Street Reservoir (5691)

**County:** Winnebago

**Current Population Served:** 145,609

**Future Population (20 year):** 156,080

**Project Description:** The City is proposing to construct a new production well, along with a treatment facility, and a five-million-gallon clear storage reservoir. The City is additionally planning to destroy the failing Stanley Street reservoir and replace it with a new reservoir of the same capacity.

**Project Location:** Work for the Stanley Street reservoir replacement will take place at the existing reservoir location along Cedar Street. Work for the new production well, treatment facility, and associated reservoir will take place on agricultural land recently acquired by the City along New Milford School Rd. Please see the attached maps for more information on project locations.

**Project Justification:** The existing Stanley Street reservoir has exceeded its useful life and fallen into disrepair. The City's proposed action of replacing the failing reservoir will ensure that they are able to continue to meet existing storage requirements. After closing the location of Well No. 24 due to PFAS contamination, the City is needing a new well, treatment facility, and reservoir to replace the closed facility and ensure adequate water service to the Central Hydraulic Zone. The proposal by the City to construct a new Well No. 46 and appurtenances will ensure adequate service for residents.

**Estimated Construction Start Date:** 05/2024 (Phase 1) and 05/2026 (Phase 2)

**Construction Completion Date:** 05/2025 (Phase 1) and 12/2028 (Phase 2)

## **Part II – Environmental Issues Associated with the Project**

**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 the location submitted. Letters dated 12/28/2022 and 05/08/2023 by IDNR for the Well No. 46 project and the Stanley Street Reservoir project respectively, concluded that based on additional evaluation, adverse effects are unlikely and terminated their consultation for 17 Ill. Adm. Code Parts 1075 and 1090 for both projects. 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 Natural Historic Preservation Act of 1966. An IDNR letter dated 06/07/2023 indicated that there are no anticipated impacts to historic, architectural, and archaeological resources from the proposed project at the Stanley Street Reservoir. An IDNR letter dated 12/02/2022 indicated that there was a high probability of the Well No. 46 location containing significant prehistoric/historic archaeological resources. In accordance with IDNR requirements the applicant performed a Phase I archaeological survey. An IDNR letter following the survey dated 08/22/2023 indicated that there are no anticipated impacts to historic, architectural, and archaeological resources from the proposed Well No. 46 project.

**Illinois Department of Agriculture:** The loan applicant submitted project information to the Illinois Department of Agriculture (IDOA) regarding construction for the Well No. 46 project taking place on what is considered to be prime agricultural land. A letter dated 09/20/2023 by the IDOA indicated that because construction will occur on city owned property, on land surrounded by development, the project complies with the Illinois Farmland Preservation Act.

**Tribal Consultation:** The loan applicant consulted all interested, federally recognized, Indian tribes regarding proposed construction for Well No. 46 occurring on previously undisturbed agricultural land. A letter dated 01/09/2023 from the Osage Nation Historic Preservation Office (ONHPO) indicated that the prior SHPO ordered survey did not meet their standards and requested a more robust archaeological survey. The loan applicant completed and submitted an updated survey to the ONHPO. A letter dated 01/05/2024 by the ONHPO indicated that after a review of the updated survey results, the proposed Well No. 46 project will most likely not adversely affect any sacred properties or properties of cultural significance to the Osage Nation.

### **Part III – Project Implementation and Affordability of Residents and Utility Customers**

The City intends to finance the proposed project with a loan from the IEPA Public Water Supply Loan Program (PWSLP). Multiple loans totaling approximately \$36,824,205.28, at the current interest rate of 1.81% for a twenty-year period, would have an annual repayment of approximately \$2,195,905.00.

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 ineligible to receive incentives such as reduced interest rates, partial principal forgiveness, and extended loan terms. 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 agreement is issued. A rate increase will be necessary to repay the loan.

#### **Source of Loan Repayment: User Fees**

#### **Current Average Monthly Residential Water Usage: 5,861 gallons**

**Current Average Monthly Residential Cost of Service:** The City currently charges for water via a flat rate of \$32.76 with each 100 cubic feet of usage adding \$2.05. Assuming an average usage of 5,861 gallons (783.5 cubic feet) the average monthly residential cost of service is \$48.82. This is shown as:  $\$32.76 + 7.835(\$2.05) = \$48.82$

**Projected Average Monthly Residential Cost of Service:** The projected monthly residential cost of service is found by applying the debt service necessary to repay the loans to the current residential cost of service. In this case the debt service necessary to repay the loans would be approximately \$3.89 per customer bringing the total projected average residential cost to approximately \$52.71. This is shown as:  $\$3.89 + \$32.76 + 7.835(\$2.05) = \$52.71$

#### **Number of Customers or Service Connections: 47,004 Residential Connections**

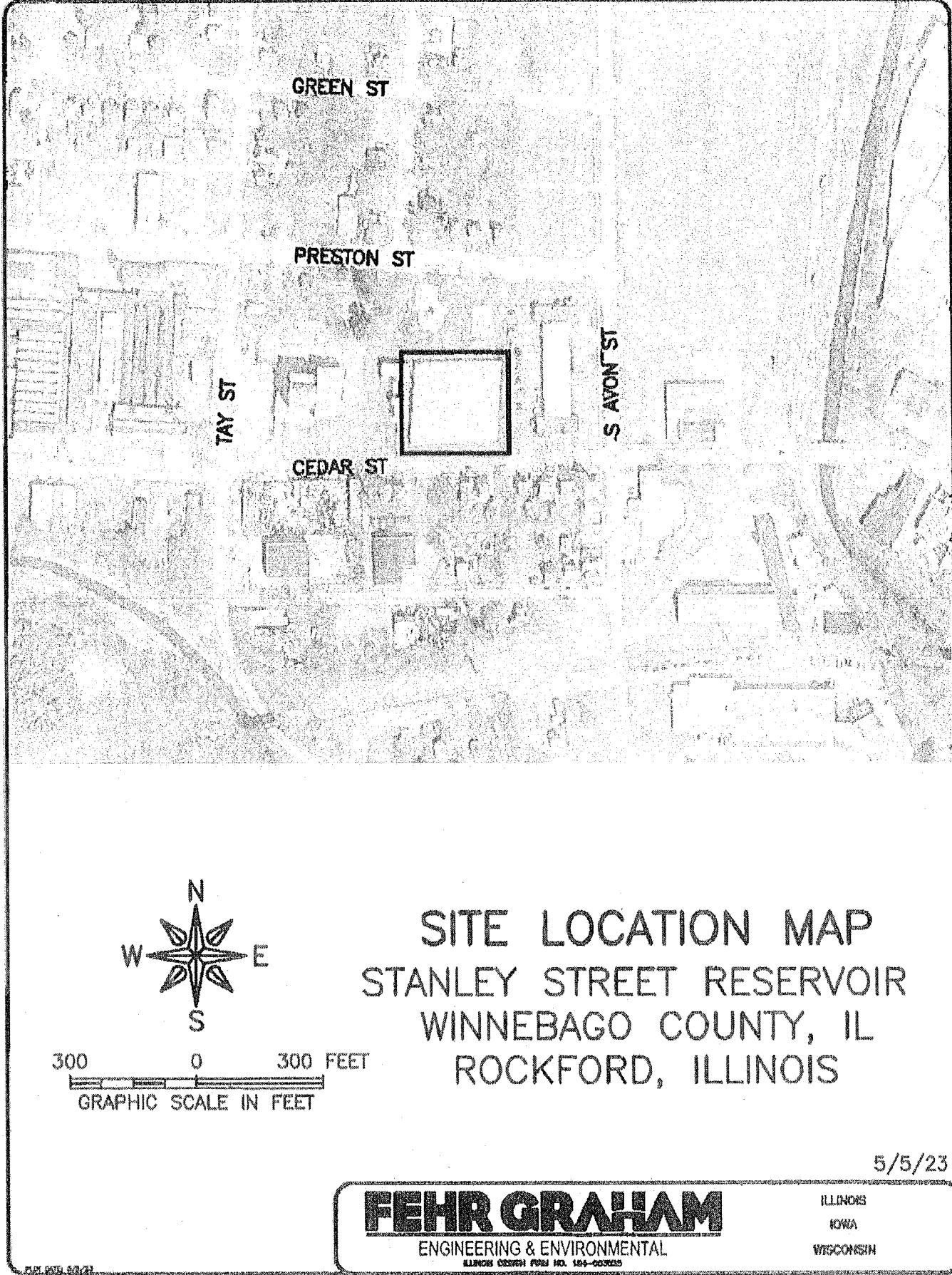
#### **Median Household Income (MHI): \$47,002.00**

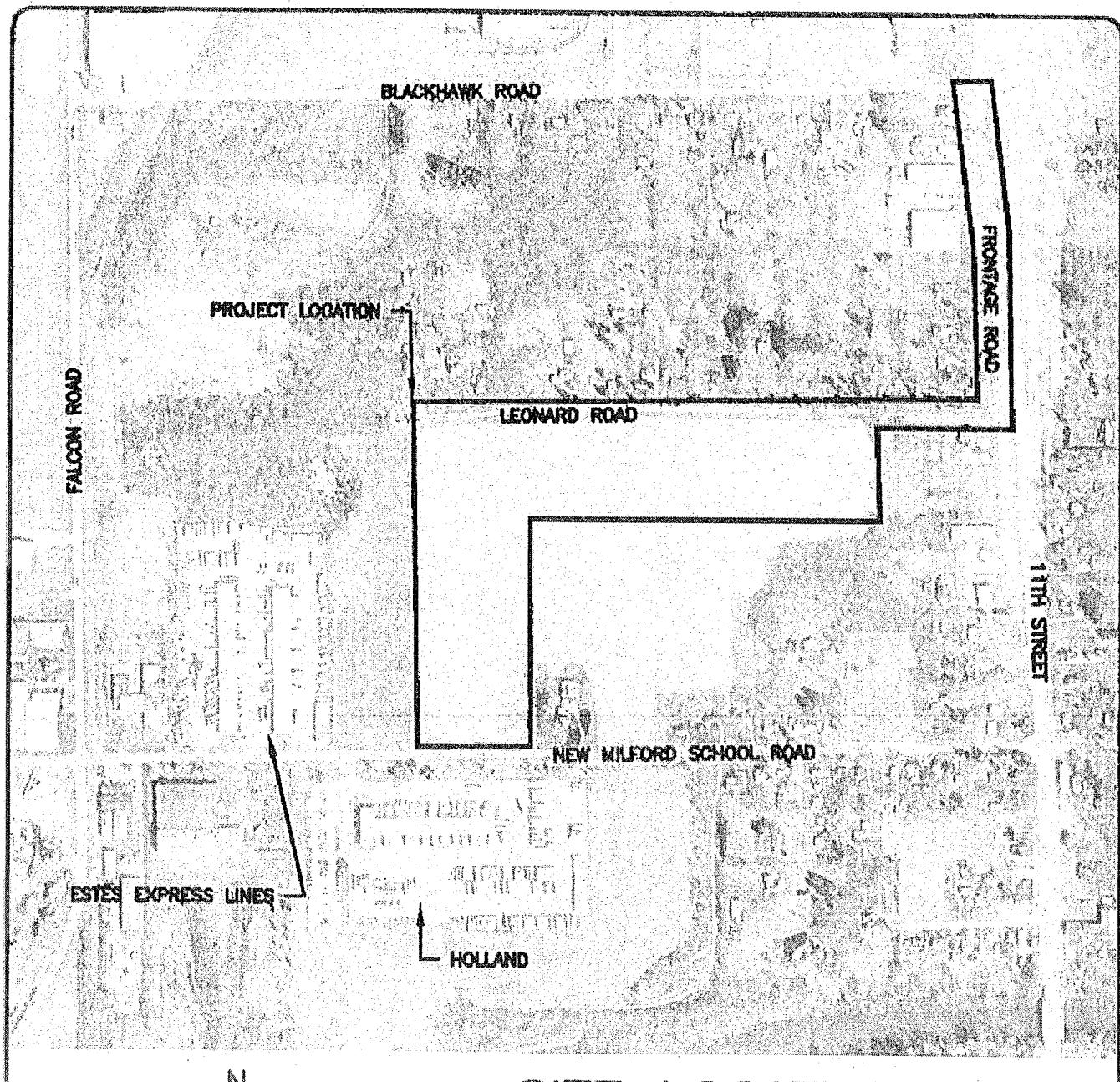
**Financial Impacts of the Proposed Project:** Information detailed in the project planning report submitted to the IEPA by the City suggests that an increase in rates for public water supply customers will be necessary. In order to determine the financial impact of the proposed project on the community, a percentage comparison of the MHI to the annual cost of water service is utilized. According to the most recent census information, the average MHI for the City is

\$47,002.00. The reported average total annual water cost is \$632.52 per customer or 1.35% percent of the MHI for the area. Any amount less than 2.0 percent is considered to be affordable for lower income residents. This 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:**

David Otto, Project Manager  
Infrastructure Financial Assistance Section  
Bureau of Water  
Illinois Environmental Protection Agency  
1021 N Grand Ave. East  
P.O. Box 19276  
Springfield, IL 62794-9276  
(217) 782-2027





**SITE LOCATION MAP**  
**WELL 46**  
**WINNEBAGO COUNTY, IL**  
**ROCKFORD, ILLINOIS**

600      0      600 FEET  
GRAPHIC SCALE IN FEET

12/22/22

**FEHR GRAHAM**

ENGINEERING & ENVIRONMENTAL

ILLINOIS DESIGN FORM NO. 104-003528

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WISCONSIN