



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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OCT 15 2020

Project Summary and Preliminary Environmental Impacts Determination

Loan Applicant: Village of Park Forest

IEPA Loan Project Numbers: L175067, L175814

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 interest and participation in this process are appreciated.

Sincerely,

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

HA:LC park forest 1175814_5067 peid.docx

Attachment

2125 S. First Street, Champaign, IL 61820 (217) 278-5800
2009 Mall Street 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
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**Project Summary and
Preliminary Environmental Impacts Determination (PEID)**

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 Village of Park Forest. Sources of information include the following documents: March 2020, Village of Park Forest, Water System Improvements Project Plan submittal, prepared by Baxter & Woodman.

Part I – Project Information

Project Name: Water System Improvements Project Plan

Project Numbers: L175067 (water main replacement), L175814 (water main replacement and elevated water storage tank construction)

Loan Applicant: Village of Park Forest **County:** Cook

Current Population: 21,429 **Future Population (20 year):** 25,173

Number of Residential Customers: 8,243

Project Description: The Village of Park Forest intends to replace approximately 8,800 linear feet of undersized, leaking water mains and construct a new 0.5-million-gallon (MG) elevated water storage tank.

Project Location: Water main replacements would take place on Apache St., Arrowhead St., Lester Rd., Washington St., Wilshire St., and Windsor St. The new 0.5 MG elevated storage tank will replace the existing 1 MG ground storage tank and would be constructed adjacent to the Village’s water treatment plant, located at 100 Park St.

Project Justification: The Village has identified several mains for replacement due to hydraulic restrictions and/or a history of main breaks. Additionally, the existing ground level reservoir at the water treatment plant has been leaking and a new elevated water tank at the site is the most cost-effective replacement. Park Forest will be reducing their total storage capacity, but it will still be sufficient for their system.

Estimated Construction Start and Completion Dates:

	Phase 1 Water Main Replacement	Phase 2 Water Main Replacement and New Elevated Water Tank
Estimated Construction Start Date	April 2021	April 2022
Estimated Construction Completion Date	September 2021	September 2022

Project Cost Estimates:

Phase 1: Water Main Replacement - \$1,530,000

Phase 2: Water Main Replacement and New Elevated Water Tank - \$4,100,000

Part II – Project Affordability for Residents and Utility Customers

The Village of Park Forest is proposing to finance the cost for each of these projects with a loan from the IEPA Public Water Supply Loan Program (PWSLP). The current loan program interest rate is 1.35%. 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.

For replacing the water mains in Phase I, a loan of \$1,530,000 with an estimated interest rate of 1.35% for a twenty (20) year period would have an annual repayment of approximately \$87,334.

For finishing the water main replacement and constructing a new elevated water tank in Phase II, a loan of \$4,100,000 with an estimated interest rate of 1.35% for a twenty (20) year period would have an annual repayment of approximately \$234,033.

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 qualification are found in Sections 662.210 and 662.250 of the Procedures for Issuing Loans from the PWSLP, 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 Village of Park Forest is eligible to receive a small community rate (75% of the base rate of 1.35%, or 1.0125%) and partial loan principal forgiveness. The Agency adjusts qualifying criteria annually on July 1st.

Applicants that qualify for principal forgiveness will not have a repayment obligation for a portion of their loan. Principal forgiveness and/or a reduced interest rate will reduce the loan payment amount and possibly the associated increases to the user charges. Principal forgiveness is not guaranteed until a loan agreement is issued.

Source of Loan Repayment: In order to finance these necessary projects, the Village has proposed a rate increase to cover the debt service.

Current Average Monthly Residential Water Use: 3,300 gallons

Current Average Monthly Residential Cost of Service: \$61.18

Projected Average Monthly Residential Cost of Service: \$69.72 by July 2022

How the current and proposed monthly residential rate/cost of service are calculated:

Year	Monthly Service Charge	Monthly Infrastructure Replacement Fee	\$ per 1,000 gallons	Average Monthly Bill
July 2020 – June 2021	\$3.99	\$3.00	\$17.24	\$63.88
July 2021 – June 2022	\$3.99	\$3.00	\$18.11	\$66.75
July 2022 – June 2023	\$3.99	\$3.00	\$19.01	\$69.72

Median Household Income (MHI): \$51,267

Percentage of MHI needed to pay the projected average annual residential cost of service: 1.6%

Financial Evaluation of the proposed project: To evaluate the costs of the proposed project for the community, a percentage comparison of MHI to the average, annual cost for water service is utilized. The projected average annual water cost per customer of \$836.64 is 1.6% of the MHI for the Village of Park Forest. 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 Issues Associated With the Project

Project construction impacts: Construction activities will occur within municipal boundaries, on previously disturbed land. Temporary adverse environmental impacts such as construction-associated noise, blowing dust, air emissions, soil erosion, and traffic disruptions will likely occur during construction.

Illinois Department of Natural Resources: The loan applicant submitted project information to the Illinois Department of Natural Resources (IDNR), State Historic Preservation Office (SHPO), for consultation under Section 106 of the National Historic Preservation Act of 1966. The Department has concluded that adverse effects are unlikely.

The loan applicant submitted project information to the IDNR EcoCAT website to determine compliance with the Illinois Endangered Species Act, Illinois Natural Areas Preservation Act, the Illinois Wetlands Act, and Title 17 Ill. Adm. Code Parts 1075 and 1090. The Department has concluded that adverse effects are unlikely.

U.S. Army Corps of Engineers (USACE): No construction will occur at or near a body of water that will require a review/sign-off from the U.S. Army Corps of Engineers

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

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Bureau of Water
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