



# ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

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## Project Summary and Preliminary Environmental Impacts Determination

Date: FEB 16 2021

Loan Applicant: City of Peoria

IEPA Loan Project Numbers: L175910; L175911; L175912; L175913; L175914

To all interested persons:

Section 365.330 of the Illinois Procedures for Issuing Loans from the Water Pollution Control Loan Program requires that the Illinois Environmental Protection Agency (IEPA) conduct an assessment of the environmental impacts of proposed wastewater projects to be funded with loans. This review is carried out in conjunction with the State'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.

Your participation in this process is appreciated.

Sincerely,

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

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### Attachment

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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. Information in this report was obtained, in part, from the following source: City of Peoria, Illinois Environmental Protection Agency State Revolving Fund Project Plan dated November 30, 2020, prepared by Symbiont.

**Part I – Applicant and Project Information**

**Loan Applicant:** City of Peoria

**Project Number:** IEPA Loan Project Numbers: L175910; L175911; L175912; L175913; L175914

**Project Name:** Long Term Control Plan (LTCP)    **County:** Peoria

**Current Population:** 111,138

**Future Population (20 year):** 119,609

**Project Description:** This document will focus on proposed projects that will occur in the first five years of the LTCP. These projects consist of green infrastructure (GI) and in-system storage.

Approximately 7 acres of GI will be designed and constructed to capture approximately 78% of runoff below the bluff in the Sanger and South sewersheds and 100% of the runoff below the bluff in the remaining sewersheds, except Darst. It is estimated that 1.3 acres of GI, per year for the first three years, and approximately 1.55 acres per year for the fourth and fifth years will be built. The GI will include such things as permeable paver parking lanes, right of way shoulders, cross walks, and intersections. In some areas, bioswales may be incorporated. The GI will be located at and adjacent to existing inlets to the combined sewer. The stormwater will be captured by the GI, instead of flowing into the combined sewers through existing inlets

To address the stormwater that is not captured by the GI, ten locations within the system have been identified as being capable of providing cost effective in-system storage during storm events. Flow within the existing combined sewers will be restricted by modifying structures, within these existing combined sewers, that will cause the waste water level within the pipe to increase. The restriction will be designed to fill the existing combined sewer without overflowing it. Once the storm event has passed, the combined sewer will continue to transport the stored flows to the Waste Water Treatment Facility (WWTF) for treatment, reducing discharges of untreated flows directly to the environment, via the existing Combined Sewer Overflow (CSO) structures.

**Project Location:** The overall combined sewer area as well as the potential locations of green infrastructure projects and associated drainage areas are shown on the attached map.

**Project Justification:** In December 2008, the City of Peoria developed its CSO LTCP. The City of Peoria's objectives in completing the LTCP are to come into and remain in full compliance with the terms and conditions of its National Pollution Discharge Elimination System (NPDES) Permit and to meet the objectives of USEPA's April 19, 1994 Combined Sewer Overflow Policy, the Clean Water Act, and the CSO control requirements of the Illinois Administrative Code. Since 2014, the City of Peoria has been negotiating a Consent Decree with the USEPA, IEPA, and United States Department of Justice (DOJ). The information provided in this Project Plan is based on the

most recent draft Consent Decree, which presumes an 18-year implementation period. Both the City of Peoria and the Greater Peoria Sanitary District (GPSD) will complete projects to achieve the goals of the Consent Decree.

**Construction Time Frame:** Construction is anticipated to begin in January 2022 and will take approximately five years to complete once in progress.

### Part II – Environmental Review and Impacts

**Illinois Department of Natural Resources (IDNR):** Project information was submitted to the IDNR EcoCAT to determine compliance with the Illinois Endangered Species Act, Illinois Natural Areas Preservation Act and the Illinois Wetlands Act. The natural resource review provided by EcoCAT identified protected resources that may be in the vicinity of the proposed action. The Department evaluated this information, in two letters, dated October 2, 2020 and concluded adverse effects are unlikely and terminated their consultation for 17 Ill. Adm. Code Part 1075 and 1090.

**Illinois Department of Natural Resources-State Historic Preservation Office (IDNR-SHPO):** An email from IDNR-SHPO dated January 4, 2021, indicated there are no anticipated impacts to historic, architectural, and archaeological resources from the proposed project. Final termination of consultation is anticipated in two weeks.

### Part III – Project Affordability for Residents and Utility Customers

**Project Cost Estimate:** \$31,519,700.00 over five years.

#### Anticipated Projects and Estimated Costs

Year of LTCP	1	2	3	4	5
Construction Year	2022	2023	2024	2025	2026
Add in-system storage at approximately ten locations	\$670,000	\$670,000	\$670,000	\$0	\$0
Install approximately 7 acres of GI improvements below the bluff	\$3,990,000	\$3,990,000	\$3,990,000	\$4,710,000	\$4,710,000
<b>TOTAL CONSTRUCTION COST</b>	<b>\$4,669,000</b>	<b>\$4,669,000</b>	<b>\$4,669,000</b>	<b>\$4,710,000</b>	<b>\$4,710,000</b>
10% Contingency on Construction Cost	\$466,900	\$470,000	\$470,000	\$471,000	\$471,000
Engineering	\$470,000	\$470,000	\$470,000	\$470,000	\$470,000
Flow Monitoring	\$380,000	\$380,000	\$380,000	\$380,000	\$380,000
Program Management	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
<b>YEARLY PROJECT COST</b>	<b>\$6,285,900</b>	<b>\$6,285,900</b>	<b>\$6,285,900</b>	<b>\$6,331,000</b>	<b>\$6,331,000</b>

The applicant is proposing to finance the project costs with five consecutive loans from the Water Pollution Control Loan Program (WPCLP). Five loans, totaling \$31,519,700, with an estimated interest rate of 1.35% for a twenty (20) year period, would have an annual repayment of approximately \$1,808,855.78 per year.

The current loan program interest rate is 1.35%. All loans are subject to the interest rate in effect at the time a loan agreement is issued. 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 qualifications are found in Sections 365.210 and 365.250 of the Procedures for Issuing Loans from the WPCLP, which is available on the Agency’s website. The final decision for incentive qualifications will be determined at the time a loan agreement is issued using updated Census Bureau and Department of Labor data. Using current data, the City of Peoria is eligible to receive a 0.2% Environmental Discount interest rate reduction based on the use of Green Infrastructure. The Agency adjusts qualifying criteria annually on July 1<sup>st</sup> and the community specific information is also subject to change.

**Source of Loan Repayment:** Increase in user fees.

**Current Average Monthly Residential Cost of Service:** \$24.44

**Projected Average Monthly Residential Cost of Service:** \$26.17

**How is the monthly residential rate/cost of service calculated?** The fees for wastewater service in the City of Peoria are currently billed and collected by GPSD. Quarterly bills are based on the amount of water consumed. Water consumption records are provided by Illinois American Water Company who owns and operates the water system. The existing rate structure for City of Peoria residents includes a sewer lateral rate, which is calculated based on whether they are serviced by City or GPSD sewers, rehabilitation fee (City), wastewater treatment charge (GPSD), and a capital improvement surcharge (GPSD).

Based on a consumption of 17.25 CCF per quarter (approximately 4,300 gallons per month), the average sewer bill for a typical City of Peoria residential customer connected to a City sewer is \$73.33 per quarter or \$24.44 per month.

**Average Quarterly Sewer Bill for Peoria Residents  
Connected to a City Sewer Based on a Usage of 17.25 CCF per Quarter**

Billing Item	Rate	Billing Charge
City Lateral Fee	\$1.1902/CCF	\$20.53
City Rehabilitation Fee	\$1.2766/CCF	\$22.02
GPSD Treatment Fee	\$1.0140/CCF	\$17.49
GPSD Capital Improvement Surcharge	76% surcharge on GPSD treatment fee	\$13.29
<b>TOTAL PER QUARTER/MONTH</b>		<b>\$73.33/\$24.44</b>

The City's plan for loan repayment is to implement a flat CSO fee. The fee would likely begin in 2023 at \$0.08/CCF, increasing to \$0.30/CCF in 2026. Based on this proposal, in the year 2026 for a residential customer who uses an average of 5.75 CCF (4,300 gallons) of water, the rate increase would be  $5.75\text{CCF/month} \times 0.30$ , which equals an additional \$1.73 per month added to their bill. The new average bill would be \$24.44 (current average bill) + \$1.73 (CSO fee) = \$26.17 per month or \$314.04 per year.

**Number of Customers:** 39,477

**Median Household Income (MHI):** \$50,568

**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 wastewater cost of \$314.04 is 0.62% 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.

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

George Lambert, Project Manager  
Infrastructure Financial Assistance Section  
Illinois Environmental Protection Agency  
Bureau of Water

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