



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
LANSING



LIESL EICHLER CLARK
DIRECTOR

April 22, 2022

TO: All Interested Citizens, Organizations, and Government Agencies

SUBJECT: **DRINKING WATER STATE REVOLVING FUND (DWSRF)
CATEGORICAL EXCLUSION DETERMINATION
LEAD/GALVANIZED WATER SERVICES REPLACEMENT
City of Lapeer, Lapeer County
DWSRF Project Number: 7521-01**

The purpose of this notice is to advise interested parties of a proposed decision by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) that the criteria for qualifying for a Categorical Exclusion are met and this project will not have a significant adverse impact on the environment or public health, and thus, qualifies for a Categorical Exclusion under Section 5408 of 1994 PA 451. Consequently, an Environmental Assessment or an Environmental Impact Statement is not required to implement the water supply project discussed in the attached document.

CRITERIA USED IN MAKING THE DETERMINATION

Part 54 of the Safe Drinking Water Assistance Act specifies six exclusionary criteria that must be met before EGLE can conclude that a proposed project qualifies for a Categorical Exclusion. The criteria are as follows:

- (1) The project must not result in an increase in residuals and sludge generated by drinking water processes which would negatively impact the performance of the waterworks system or the disposal methods or would threaten an aquifer recharge zone.*
- (2) The proposed facilities must not be designed to provide service to a population greater than 30 percent of the existing population, unless population projections required in section 5405(3)(e) support projected needs.*
- (3) The proposed public water supply project must not be expected, to directly or indirectly affect cultural areas, fauna or flora habitats, endangered or threatened species, or environmentally important natural resource areas.*
- (4) The proposed public water supply project must not directly or indirectly involve the extension of transmission systems to new service areas.*
- (5) The proposed public water supply project has been shown to be the cost-effective alternative.*
- (6) The proposed public water supply project will not cause significant public controversy.*

PROJECT DETAIL

An attachment describing the proposed project is provided. This information is also available on our website at Michigan.gov/DWSRF under "Related Links." It presents information related to the proposed project, including the alternative selected, rationale for our decision to grant a Categorical Exclusion, and other pertinent information. Map(s) showing the location of the proposed project are also included.

The attachment provides information and allows appropriate federal cross-cutter agencies and state agencies an opportunity to submit information that may impact EGLE's decision prior to its effective date. Significant issues raised by these agencies could result in EGLE staff preparing a full Environmental Assessment.

WHERE DO I SUBMIT COMMENTS?

Any comments regarding this decision should be submitted to:

Mr. David J. Worthington, Senior Project Manager
Water Infrastructure Financing Section
Finance Division
Michigan Department of Environment, Great Lakes, and Energy
P.O. Box 30457
Lansing, Michigan 48909-7957

EFFECTIVE DATE OF THE EGLE DECISION ON THE CATEGORICAL EXCLUSION

Absent comments that introduce significant information contrary to EGLE's final determination, the Categorical Exclusion Decision will become effective upon conclusion of the 30-day comment period.

Questions regarding this project can be directed to Mr. David J. Worthington, senior project manager, Water Infrastructure Financing Section, Finance Division, by phone at 517-554-1885, by email at Worthingtond@michigan.gov, or by mail at EGLE, P.O. Box 30457, Lansing, Michigan, 48909-7957; or you may contact me. Your interest in this process is greatly appreciated.

Sincerely,



Kelly Green, Administrator
Water Infrastructure Financing Section
Financing Division
517-284-5433

Attachment

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
DRINKING WATER STATE REVOLVING FUND (DWSRF)
CATEGORICAL EXCLUSION DETERMINATION
CITY OF LAPEER, LAPEER COUNTY
LEAD SERVICE LINE REPLACEMENT PROJECT
April 2022**

I. PROJECT IDENTIFICATION

Applicant: City of Lapeer
576 Liberty Street
Lapeer, Michigan 48446

Authorized Representative: Mr. Dale Kerbyson, City Manager

DWSRF Project Number: 7521-01

II. PROJECT OVERVIEW

The city of Lapeer (Lapeer) is applying for a DWSRF low interest loan to finance construction of lead service line replacements (LSLRs) at various high priority locations throughout the city. A study area has been delineated that comprises Lapeer's water service boundary (See Figure 1).

Lapeer is located in Lapeer County, along the I-69 corridor approximately 20 miles east of the city of Flint along the Flint River.

Lapeer proposes the following activities to take place in its water distribution system:

- Replace approximately 106 galvanized or lead service lines throughout the city

In total, the project is estimated to cost \$720,000, of which an estimated \$530,000 will be financed by a DWSRF low-interest loan offering principal forgiveness of up to 100 percent of LSLR construction costs. Engineering and administrative costs will be funded via Lapeer's water fund. There will be little or no increase to customer's water rates due to the project; according to Lapeer, in the worst-case scenario (if construction bids come in high), an increase of \$1.15 per monthly bill may be required.

III. PROJECT BACKGROUND

A. Existing Facilities

1. Water Treatment/Supply

Lapeer receives its drinking water from the Great Lakes Water Authority (GLWA) via connections to the GLWA transmission main which are monitored through three meter pits that control the amount of water supplied. There are four emergency backup wells with chlorination capability that are inspected annually.

2. Elevated Storage Tanks

Lapeer has one inactive 750,000-gallon elevated water tower.

3. Distribution System

Lapeer has 368,549 linear feet of water distribution main ranging from 2-inches to 20-inches in diameter. Water mains recently installed are constructed with polyvinyl chloride pipe, those constructed between 1970 and 2010 are ductile iron pipe, and those constructed pre-1970 are cast iron pipe. Valves and hydrants are in good working order.

4. Service Lines

Lapeer has 3,359 water service lines of which 2,854 consist of copper, 399 plastic, 70 galvanized and 36 lead pipe material.

5. Customer Meters

Most customer meters have advanced reading capabilities. They are overall in good condition but replaced as needed.

B. Project Need

All drinking water standards are being met by Lapeer. However, Michigan’s revised Lead and Copper Rule places a priority on getting the lead out of the distribution system. To comply, Lapeer will complete full-length lead and galvanized service line replacements to protect public health.

C. Population Projections

Table I summarizes Lapeer’s historical population from 2000 to 2020 (United States Census data) and projections to year 2040 (assumes a 1% increase). Overall, the City’s population may result in a very modest increase in water demand in the next couple decades.

Table I. City of Lapeer Population	
Year	Population
2000	9,081
2010	8,841
2020	8,391
2030	9,269
2040	10,239

IV. ALTERNATIVES CONSIDERED

A. No Action

Under this “do nothing” scenario, the distribution system would not be improved. Public health would be at risk through noncompliance with Michigan’s Lead and Copper Rule. No action is rejected as unacceptable.

B. Eliminate Lead Via Service Line Replacements

System Wide Lead Water Services Replacement

Lapeer proposes to eliminate lead and galvanized water service connections in the system. These will vary from customer side only replacements (curb stop to house meter),

public side only replacements (water main to curb stop) and full-service replacements (water main to house meter), depending on the existing pipe material, as determined by the drinking water system material inventory and field verification. The final outcome of all three replacement scenarios will be a copper service line from the water main to the house meter.

V. DESCRIPTION OF PROPOSED PROJECT

Lapeer intends to implement the improvements for eliminating lead and galvanized pipe as described in the previous section. See Figure 1 for a location map of the projects. City staff will contact residents whose service lines are prioritized for replacement and the homeowner will be asked to sign consent of property access and release of liability forms. City staff will explain the service replacement procedures and the hired contractor will call the homeowner for scheduling the work and its coordination.

A. Project Cost Breakdown

Table II. Project Cost Breakdown	
Description	Estimated Cost
City Wide Lead Service Line Replacement	\$530,000
Project Plan and Design	\$97,500
Construction Admin and Inspection	\$40,000
Contingencies	\$52,500
Total Project Cost	\$720,000

B. User Cost Analysis

Water rates likely will not increase due to the proposed projects. In the worst-case scenario (high bids), the monthly bill may increase by \$1.15.

C. Project Schedule and Implementation

Table III lists the key items and proposed dates of implementation scheduled for these projects.

Table III. Project Schedule	
Milestone	Estimated Date of Completion
Plan Approval	May 25, 2022
Bidding Advertisement	May 25, 2022
Bids Opened	June 24, 2022
Tentative Contract Award	July 1, 2022
EGLE Funding Approval	August 8, 2022
Start Construction	September 2022
Construction Complete	September 2023

VI. ENVIRONMENTAL CONSEQUENCES OF PROPOSED ACTION

1. Cultural Resources

There is no expected impact to historical, tribal, or archaeological resources with the selected alternative.

If artifacts or archaeological materials are discovered work will stop immediately and a state certified archaeologist will be contacted for guidance.

2. Air Quality

The proposed project will necessitate short-term construction impacts of noise, dust, and vehicle emissions. These will cease upon completion of the work, except for occasional maintenance on the facilities.

3. Wetlands/Floodplains/Surface Water

Work sites will be outside of wetland areas and outside the floodplain and no impact to those resources is expected. No impact to rivers, lakes or streams is anticipated as work will be limited to replacing existing infrastructure away from water bodies at homes and businesses.

4. Endangered Species

Work will occur at private residences or business establishments and will take place on private property or, in some cases, in the road right-of-way only. No harm to threatened or endangered species, critical habitat, or special natural features is likely to occur.

5. Construction Impacts

Residents will have water shut off for typically 1-2 hours and the new water line to the house should be flushed for a few minutes after the new tap is made in case there is any lingering sediment in the line. The contractor will pull the screen off the faucet which is being flushed (and will replace it afterwards) or use an outside faucet, if applicable. Front yard disturbance will typically be at the curb where the new tap to the watermain is located, as well as the inside side of the sidewalk. At times, the city water main is located in the road, causing curb and asphalt repair being needed in front of the homeowner's residence. Scheduling of the new water line work will be coordinated by the contractor with the homeowner. If a "Customer Side" or "Full-Service Replacement" is completed, the contractor will need to access the basement or crawlspace of the home to bring the new water line into the house and connect it. There is some noise associated with this work as the equipment is penetrating through the wall of the basement. Any cleanup needed is handled on the behalf of the contractor with oversight by the inspector on the project. Typically, the contractor can work around the homeowner's landscaping and not disturb it.

VII. MITIGATION MEASURES

All necessary permits for the construction activities will be applied for and obtained prior to construction. Mitigation during construction activities will be the contractor's responsibility and may include soil erosion and sedimentation prevention measures, dust control measures, noise control measures, etc. It is not anticipated that mitigation measures would be more stringent than those required for normal water service installation projects. The contractor will be directed to follow all required construction specifications and

standards and utilize all necessary measures to minimize environmental impacts during construction.

VIII. PUBLIC PARTICIPATION

A public hearing on the DWSRF project plan was held on June 7, 2021. Due to the COVID-19 pandemic, the hearing was held virtually by Zoom teleconference. The hearing was advertised in a local *Lapeer County* newspaper. A copy of the draft plan was available for a 30-day period at the city offices. No member of the public spoke at the hearing but several questions from the city commissioners were answered. On June 7, 2021, the city commission passed a resolution adopting the final plan and its selected alternative.

IX. REASONS FOR CONCLUDING NO SIGNIFICANT IMPACTS

Expected adverse impacts from the proposed project appear to be minor and largely temporary in nature. There is a social cost to paying for improvements and operating and maintaining the system. However, these upgrades would result in the safeguarding of the public health from lead exposure. It is believed that this beneficial impact significantly outweighs the minor negative impacts.

Questions regarding this Categorical Exclusion Determination should be directed to:

Mr. David J. Worthington, Senior Project Manager
Water Infrastructure Financing Section
Finance Division
Michigan Department of Environment, Great Lakes and Energy
P.O. Box 30457
Lansing, Michigan 48909-7957
Telephone: 517-554-1835
E-Mail: Worthingtond@michigan.gov

