

MINUTES OF THE JANUARY 9, 2018 PUBLIC HEARING

Mayor Carl Bates called the meeting to order at 7:00 p.m.

PUBLIC HEARING – CITY OF MOUNT CARROLL

TUESDAY – JANUARY 9, 2018 AT CITY HALL, 302 NORTH MAIN STREET, MOUNT CARROLL, IL

Mayor Bates introduced Ms. Sharon Pepin, Community Funding and Planning Services, to facilitate the public hearing. The following information was presented to the council members in attendance and the general audience.

The City of Mount Carroll is in the process of securing funding for the construction of a new standard activated sludge wastewater treatment facility to replace its existing, aging and deteriorated facility. The City's existing wastewater treatment plant was originally constructed in 1959, with the latest upgrade completed in 1979. The existing plant has experienced significant flooding in 1981, 1982, 2010 and 2011. The project also entails upgrades to the aging Center Street lift station and includes providing a standby generator. Specific details associated with the proposed improvements are described in the Project Summary and Preliminary Environmental Impacts Determination report prepared by the Illinois Environmental Protection Agency and available at City Hall.

The estimated cost of the proposed project is \$11,308,224, and the City has made a loan application with the Illinois Environmental Protection Agency Water Pollution Control Loan Program. Currently, an interest rate of 1.76% for 20 years is being made available to the City. Based upon the above financing plan, the City's annual loan repayment would be \$671,466, which would result in a monthly debt surcharge fee of \$65.83 to each sewer account. This debt surcharge fee assumes the proposed project is entirely financed with IEPA loan funds.

If the City secures financing through the IEPA Water Pollution Control Loan Program, the City would be eligible for a 45% principal loan forgiveness and a lower loan interest rate of 1%. Additionally, the City intends to make an application to the Illinois Department of Commerce & Economic Opportunity for a Community Development Block Grant (CDBG) in the amount of \$500,000 for the wastewater treatment plant project. If successful in securing the CDBG funds, a 1% IEPA loan and some principal loan forgiveness, the annual loan repayment would be reduced to \$328,068, which would result in a lower monthly debt surcharge fee of roughly \$32.16 to each sewer account.

As part of the loan application process, IEPA utilizes the annual cost of service/median household income to determine an affordability ratio. The percentage identified in the Agency's affordability guidelines is 2%. Based upon a review of the financial impact to users as a result of the City's proposed project, the estimated percentage necessary to pay the annual user charge is 2.2%. Therefore, IEPA has stated that 'the project will have a significant financial impact on users who will go from paying \$29.88 per month to \$71.00 or more per month for sewer service after completion of the proposed project'. Additionally, the Agency has completed an environmental review process and has made the determination that the proposed wastewater treatment plant project will have little to no potential for having negative environmental impacts related to its construction.

Prior to granting its approval of the proposed project and plan, the IEPA requires that the public be granted an opportunity to comment on the information presented. This evening's public hearing was called to meet that requirement, and additionally, after the public hearing, a 10-day public comment period will commence on January 10, 2018 and end on January 21, 2018. Information on the proposed project and the IEPA Project Summary and Notice are available for public inspection at the City Hall located at 302 N. Main Street in Mount Carroll, between the hours of 9:00 to 3:30 Monday thru Friday. During this public comment period, written comments may be provided to the City of Mount Carroll or directly to the IEPA contact person, which is Lanina Clark, Illinois Environmental Protection Agency, Infrastructure Financial Assistance Section, Bureau of Water, 1021 North Grand Avenue East, Springfield IL 62794-9276.

Questions/Comments:

Mr. Nick Wagner, P.E. with MSA Professional Services, Inc. was in attendance and he presented information about the need for the new plant with the questions about past flooding issues, problems with equipment

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replacement and failure, noting the maintenance done to date extending the useful life of the existing plant to meet the NPDES permit requirements thus far. He presented a proposed aerial photo with a drawing of the layout of the new plant location. He reported where they were working on the project to date. He stated the most pressing matters were to finalize the acquisition of property adjacent to the City's property and conduct the geotechnical investigation and analysis.

Alderman Risko commented about the debt service costs presented this evening and noted that the City had in the last two years added a wastewater treatment plant fee and a capital improvement fee. The new debt service would be inclusive of these fees and the intent was to have some of the costs for the engineering relieved from the loan amount when the project was completed.

Mr. Frank Nester, Mt. Carroll resident, asked about past debt service fees when the plant had the upgrade in 1979. Mayor Bates noted that the past city councils amended and adjusted those fees based on projects as they were needed versus collecting for a large amount to be set aside as might have been proposed.

Ms. Sheri Benters, Mt. Carroll resident, asked about the the landowner adjacent to the City property and the purchase of that parcel. Mayor Bates reported that Bob and Ginger Law have been negotiating with him with authority from the council to acquire what amount of land was needed for the new location of the treatment plant.

Mt. Carroll residents, Frank Nester, Sheri Benters, Fayellen Sanetra, Anna Gray and Fern Stadel made comment about their concern regarding the increased debt services fees in the future. Alderman Risko commented that he felt more information about the proposed costs and fees as they are known should be presented.

Mayor Bates adjourned this meeting at 7:30 p.m.

These minutes submitted by Clerk Julie A. Cuckler of the City of Mount Carroll

The Mount Carroll City Council approved these minutes at the January 23, 2018 regular meeting.


Julie A. Cuckler
City Clerk & Collector