

City of Mount Carroll
Project Summary and Environmental Review

Minutes of the February 19, 2019 Public Hearing

Mayor Bates called the meeting to order at 7:15 p.m.

Mayor Bates introduced Ms. Sharon Pepin, Community Funding & Planning Services, as the facilitator for this hearing.

Ms. Pepin stated that one purpose of this hearing was to consider the funding for the Water Main Improvements Project consisting of the replacement and extension of existing water mains in the north/northwest portion of the City. She explained the project in more detail as follows.

The City of Mount Carroll is in the process of securing funding for a Water Main Improvements Project consisting of the replacement and extension of existing water mains at four locations in the north/northwest portion of the City. The project entails the replacement of roughly 4500 lf of 4-inch and 8-inch diameter water mains with new 8-inch and 10-inch diameter mains along Mill, State, and Clay Streets and Spring Avenue. The project also includes the installation of roughly 2700 lf of 8-inch diameter water main for looping purposes from Galena Street to Corbett Road.

The estimated cost of the proposed project is \$2,345,000, and the City is working on a loan application with the Illinois Environmental Protection Agency Public Water Supply Loan Program. Currently, an interest rate of 1.84% for 20 years is being made available to the City. The loan program rules include provisions for incentives such as reduced interest rates, partial principal forgiveness and extended repayment periods for qualifying applicants. Based upon the loan program rules, the City could see an interest rate of 1.38% for 30 years and up to 75% (max of \$1,500,000) in principal loan forgiveness. This financing plan would result in a loan amount of \$845,000, with the annual loan repayment of \$34,431, resulting in a monthly debt fee of \$3.19 to each water account.

As part of the loan application process, IEPA has reviewed the financial impact to users as a result of the proposed project and have stated that the project is within the Illinois EPA affordability guidelines of 2% of the median household income, coming in at 1.35% of this standard. IEPA determined that no significant financial impact to the Mount Carroll water customers should occur due to the construction of the proposed project under any of the aforementioned funding possibilities. Additionally, the Agency has completed an environmental review process and has made the determination that the proposed water main improvements 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.

Additionally, after the public hearing, a 10-day public comment period will commence on February 20th and end on March 4, 2019. Information on the proposed project and the IEPA Project Summary and Notice are available for public inspection at City Hall located at 302 N. Main Street in Mount Carroll, between the hours of 9:00 to 4:00 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.

In discussion Mayor Bates reported the estimate for the design engineering was \$191,000. The council members present voiced their approval to continue the process with this project and to review the City's finances frequently as this went along.

No other comments or questions were presented.

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

The Mount Carroll City Council approved these minutes at the March 12, 2019 regular meeting.

Julie A. Cuckler
City Clerk & Collector