

May 1, 2020

Preliminary Finding of No Significant Impact To All Interested Citizens, Organizations, and Government Agencies

Pike Water, Incorporated - Highland Pike Waterline Extension Pike County Loan Number: FS391406-0008

The attached Environmental Assessment (EA) is for a drinking water infrastructure improvement project in Highland and Pike counties which the Ohio Environmental Protection Agency intends to finance through its Water Supply Revolving Loan Account (WSRLA) below-market interest rate revolving loan program. The EA describes the project, its costs, and expected environmental benefits. We would appreciate receiving any comments you may have on the project. Making available this EA and seeking your comments fulfills Ohio EPA's environmental review and public notice requirements for this loan program.

Ohio EPA analyzes environmental effects of proposed projects as part of its WSRLA program review and approval process. We have concluded that the proposed project should not result in significant adverse environmental impacts. More information can be obtained by contacting the person named at the end of the attached EA.

Any comments on our preliminary determination should be sent to me at the letterhead address. We will not act on this project for 30 calendar days from the date of this notice. In the absence of substantive comments during this period, our preliminary decision will become final. After that, Pike Water, Incorporated can then proceed with its application for the WSRLA loan.

Sincerely,

Jonathan Bernstein, Assistant Chief Division of Environmental & Financial Assistance

Attachment

ENVIRONMENTAL ASSESSMENT

Project Identification

Project: Pike Water Incorporated – Highland Pike Waterline Extension

Applicant: Tim Williams, General Manager

Pike Water Incorporated 2277 Boswell Run Road Piketon, OH 45661

Loan Number: FS391406-0008

Project Summary

Pike Water Incorporated (Pike Water) has requested financial assistance from the Ohio Water Supply Revolving Loan Account (WSRLA) for construction of water mains in Highland and Pike counties to provide potable water to approximately 100 residences with contaminated or low-yielding private wells. Construction will be in public rights-of-way along rural roads in areas lacking important environmental features.

History & Existing Conditions

Pike Water is a non-profit corporation providing water to over 6,450 customers in a major portion of rural Pike County and adjacent portions of Ross, Jackson, Adams, Scioto, and Highland counties. Water line extension requests by residents are evaluated for operational and financial feasibility. The recent addition of a new storage tank in the greater Highland/Pike project area makes this proposed water line extension feasible.

Residences in the project area rely on private wells, surface water ponds, and cisterns. Wells typically yield limited and/or poor-quality water; some residents buy or haul water. Sampling of 15 wells in 2018 showed three testing positive for E. coli bacteria, indicating contamination from surface water or septic systems.

Population and Demand Projections

Pike Water has commitments from at least 87 new customers to be served by this project at the time of initial construction. This is about half the 174 potential total customers in the project area. The project design is based on standard water service calculations and ultimately serving all potential customers:

Average customer demand = 250 gallons/day (GPD) Average system demand = 174 x 250 gpd = 43,500 gallons

Peak demands within the service area will be met through the Sinking Spring Water Storage Tank and require no booster stations or additional treatment or storage capacity.

Alternatives

Pike Water evaluated, on technical and economic feasibility, the following alternatives: no-action ("do-nothing"), service by another water system, and service by Pike Water. The no-action alternative is not feasible because it would leave residents with unhealthy and limited water.

Service via an alternate system is not economically feasible due to distance from existing distribution systems. The closest systems, other than Pike Water, are Adams County Regional Water and Highland County Water Company, Inc. Neither of these systems has available capacity at the required delivery pressure to provide service to the project area without construction of a significant extension of their distribution network and in some cases construction of additional water booster and water storage facilities.

Service via connection to the existing Pike Water, Inc. distribution system is technically feasible due to having adequate storage in the nearby Sinking Spring Water Storage Tank.

Selected Alternative

The proposed project will construct approximately 55,850 linear feet (LF) of 4-inch waterline, 2,500 LF of 3-inch waterline, related valves, hydrants and fittings, service connections, and related appurtenances. The project area will involve required road crossings, required stream crossings, in Brushcreek Township in Highland County and Mifflin Township in Pike County along Fort Hill Road (T-256A), Carmel Road (CR76), Woods Road (T-243B), SR124 and Crum Road (T-248A) in Highland County and Bell Hollow Road (CR13) and Pin Hook Road (CR14) in Pike County (Figures 1 and 2).

Implementation

Pike Water will borrow approximately \$1,470,000 from the WSRLA to finance this project. If Pike Water receives requested funding (up to \$1,000,000) from the State of Ohio H2Ohio grant program, the loan amount will be reduced accordingly. Pike Water qualifies for the "Economic Affordability" interest rate, equivalent to the Small Community rate, 0.42%. Rates are set monthly; the rate for the requested June loan award may differ. Pike Water will save approximately \$442,000 by using WSRLA money at this rate for a 30-year loan, compared to the market rate of 2.17%.

Besides an annual water bill averaging \$525, new customers will be immediately responsible for the Pike Water tap fee (\$600 for this project; otherwise \$1,000) and the cost of installing the water service line from the new meter to the home (typically \$2.00 to \$3.00 per foot plus materials).

Assuming receipt of funding in June 2020, construction will start during the summer months and be completed in early 2021.

Public Participation

This project is the result of more than ten years of ongoing requests by residents and local officials to extend water service to this area. The 2018 well sampling was in support of developing this project and its potential financing.

Ohio EPA is unaware of opposition to or controversy about the project.

Ohio EPA will make a copy of this document available to the public on its web page (https://epa.ohio.gov/defa/ofa#169638770-wsrla-documents-for-review-and-comment) and will provide it on request to interested parties.

The following agencies reviewed this project's planning information:

Ohio Environmental Protection Agency State Historic Preservation Office Ohio Department of Natural Resources U.S. Fish and Wildlife Service

None of the review agencies opposes the project.

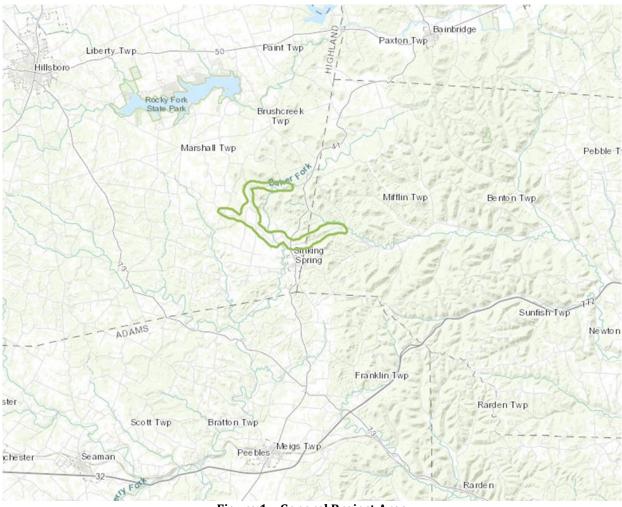


Figure 1 - General Project Area

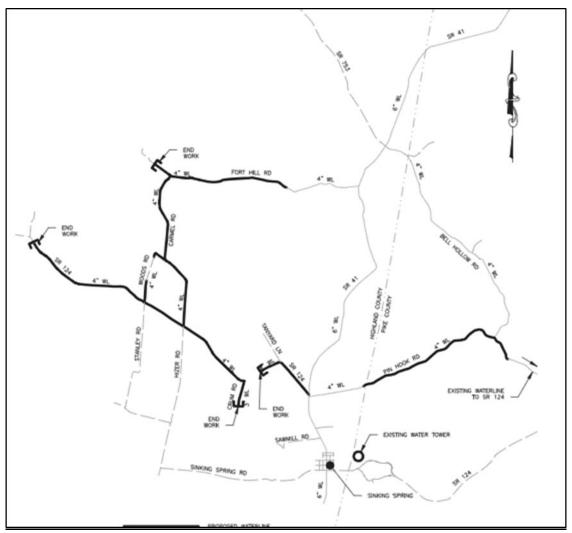


Figure 2 - Proposed New Water Line Locations

Environmental Impacts

This project could directly affect environmental features. Because the project is designed to serve a specific, rural area with low population density in an area with no expected significant growth, the project is not expected to lead to new development or associated indirect or cumulative impacts.

<u>Farmland</u> and <u>land use</u> will be unaffected by this construction primarily in public rights-of-way along rural roads; approximately 600 LF of pipe will be in a new easement due to unfavorable conditions near the road. However, all pipe will be below-ground and have no effect on surface land uses after construction is complete. Construction adjacent to state forest land will be on the public right-of-way and not affect property managed by the Ohio Department of Natural Resources.

No regulatory <u>wetlands</u> are in the project disturbance area. All stream crossings will be constructed with horizontal directional drilling (HDD) beneath to avoid impacts to <u>surface water</u>

<u>resources</u>. The contract requires preparation of a plan to promptly properly manage any inadvertent releases of drilling fluid to the environment.

The project area is distant from any state or federal <u>wild or scenic river</u> and from the Lake Erie <u>coastal management area</u>.

No public water supply wells, wellhead protection areas, or designated Sole Source Aquifers are in the project vicinity. The shallow trenches required for this construction will have no effect on private wells. Private wells will be properly closed after each residence is connected to the new water supply. For these reasons, this project will have no adverse effect on ground water resources or safe drinking water.

Construction will occur in a small area of regulatory ("100-year") <u>floodplain</u>. Because the land surface will be restored to its pre-construction elevation and the project adds no above-ground structures, flood elevations will be unaffected by this project.

The construction disturbance area generally lacks important habitat features for listed endangered or threatened species. Seasonal clearing (cutting only between September 30 and March 31) of trees that may be habitat for endangered Indiana bats and threatened northern long-eared bats will minimize the potential for adverse effects to those species. No other federally listed <u>endangered or threatened species</u> or significant <u>terrestrial habitats</u> are in the immediate project area.

<u>Aquatic habitats</u> will be protected by using HDD for pipe installation beneath streams and by use of standard soil erosion control best management practices by the contractors.

Ohio EPA's thorough review of this project determined that it will not cause a significant adverse effect to properties listed or eligible for listing in the National Register of Historic Places (cultural resources). In the event of archaeological finds during construction, Ohio Revised Code Section 149.53 requires contractors and subcontractors to notify the State Historic Preservation Office of any archaeological discoveries in the project area, and to cooperate with the Office in archaeological and historic surveys and salvage efforts when appropriate. Work will not resume until a survey of the find and a determination of its value and effect has been made, and Ohio EPA authorizes work to continue.

Because all work will be near roads, contractors will use proper construction traffic controls to help ensure <u>public safety</u> when work affects <u>traffic</u> and will cover or fill trenches at the end of each workday. Temporary construction vehicle noise will be evident in the immediate vicinity of active work. Population density is low in the rural area and most residences are distant from roads. For these reasons, <u>noise</u> levels are unlikely to significant. Local <u>aesthetics</u> after construction and land restoration are complete will be minimally changed, largely limited to the scattered changes in the local landscape where vegetation was removed.

Neither construction nor operation of the new pipes adds permanent <u>energy</u> uses or a permanent source of air pollution that could affect local <u>air quality</u>.

First-year costs of this project for new Pike Water customers in this project area will be the \$600 tap fee, approximately \$525 water bill (annual estimate), and service line installation and well abandonment costs (dependent on distance from house to right-of -way). After initial costs are paid, the annual bill will be the ongoing responsibility. The \$525 average annual bill is approximately 1.2% of the local median household income (MHI; \$43,000). Water bills less than

1.8% of MHI are generally considered affordable. With affordable water rates and Pike Water's successful receipt of H2Ohio funds and using low-interest WSRLA money, this project will have no adverse impact on the <u>local economy</u>.

Conclusion

Based on its review of this project's general plans and other information, Ohio EPA concludes that no significant short-term or long-term adverse direct environmental impacts will result from the project as related to the environmental features discussed in this Environmental Assessment. This is because these features do not exist in the project area, the features exist but will not be adversely affected, or the impacts of construction will be temporary and mitigated.

This project equally serves the entire service area community and no particular segment of the community will face additional adverse impacts or be deprived of environmental benefits, compared to any other segment.

For these reasons, this project, alone or in combination with other projects, is not expected to result in any significant indirect or cumulative short-term or long-term adverse environmental impacts.

Ohio EPA expects the economic impact of the project on the average user to be insignificant because Pike Water received a favorable financing package that minimizes the overall cost and new customers petitioned for water service and understand the project and ongoing service costs.

The project will provide potable water and help eliminate the potential human health threat of contaminated and low-yielding wells.

For more information, please contact:

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