



Mike DeWine, Governor
Jon Husted, Lt. Governor
Laurie A. Stevenson, Director

August 25, 2022

Limited Environmental Review and Finding of No Significant Impact

**Village of Malvern – Carroll County
Phase 1 Water Line Replacement
Loan number: FS390562-0006**

The attached Limited Environmental Review (LER) is for a water infrastructure project in Malvern 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 LER describes the project, its costs, and expected environmental benefits. Making available this LER 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. This project's relatively narrow scope and lack of environmental impacts qualifies it for the LER rather than a more comprehensive Environmental Assessment. More information can be obtained by calling or writing the person named at the end of the attached LER.

Upon issuance of this Finding of No Significant Impact (FNSI) determination, award of funds may proceed without further environmental review or public comment unless new information shows that environmental conditions of the proposed project have changed significantly.

Sincerely,

A handwritten signature in cursive script that reads "Kathleen Courtright".

Kathleen Courtright, Assistant Chief
Division of Environmental and Financial Assistance

Attachment

LIMITED ENVIRONMENTAL REVIEW

Project Identification

Projects: Phase 1 Water Line Replacement

Applicant: Village of Malvern
116 West Main Street
Malvern, Ohio 44644

Loan Number: FS390562-0006

Project Summary

The Village of Malvern in Carroll County has requested approximately \$1.27 million in financial assistance from Ohio EPA's Water Supply Revolving Loan Account (WSRLA) to replace and upgrade existing water lines with properly sized publicly owned water mains and service lines under and along streets and rights-of-way in the Phase 1 project area (see Figure 1). In addition, the village has requested principal forgiveness funding for replacing any lead service lines that may be found during construction. As such, the project area has been previously disturbed by earlier construction and is generally lacking important environmental features. The village's existing water lines in the project area need replacement due primarily to their age, susceptibility to breakage, associated water loss, and related declines in water supply quality.

While the village previously announced plans to determine if future water rate increases will be needed through 2028 as part of its ten-year capital improvements plan, Malvern has indicated that this individual project may not require them because of the expected grant and zero percent loan funding. The village has dedicated revenues collected through its water system user charges as its loan repayment mechanism for this proposed project. Ohio EPA drew this conclusion mainly because the village reviews its water rates annually and adjusts them accordingly based on input from the Rural Community Assistance Program (RCAP). The village expects to carry annual and cumulative account surpluses over the expected 30- to 40-year term of its WSRLA loan. The village's previous water rate increase was in 2021.

History & Existing Conditions

The Village of Malvern owns and operates a complete water system consisting of source supply, treatment, storage, and distribution that serves both the village and a few water customers outside the village limits. An emergency back-up water connection serving the Lake Mohawk area is available if necessary.

Raw water from two ground water wells is treated at the village's 500,000 gallons-per-day water treatment plant, built in 1996, before entering the village's storage and distribution system consisting of a storage tank and 11.3 miles of water mains. Many of these water mains are over a hundred years old and are experiencing problems, such as water line breaks and unaccounted-for water loss. The lead service lines in the Phase 1 area shown in Figure 1 pose a potential health risk, and thus need to be eliminated, and replaced with new service lines.

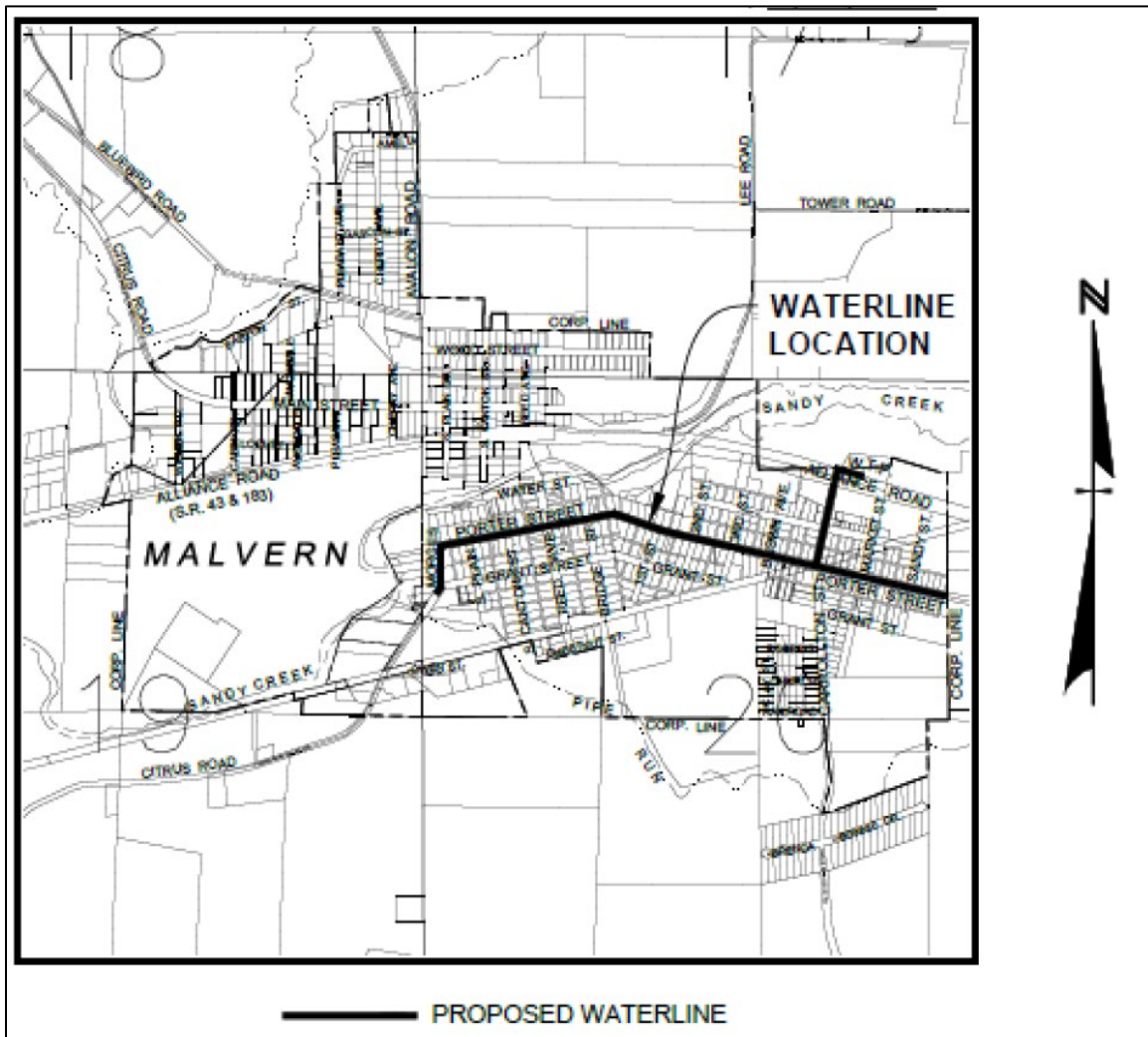


Figure 1. Phase 1 project area

Project Description

After completing an alternatives analysis focusing on three options (do nothing, privatize the system, and replace the village’s water lines), Malvern has chosen the following improvements as its selected alternative for the Phase 1 project area shown in Figure 1: new 6-inch, 8-inch, and 12-inch diameter plastic water mains for Porter and Carrollton Streets, fire hydrants, valves, and related appurtenances, including lead service line replacements. A total of about 5,900 linear feet of water mains will be installed as part of this proposal, including a small area between the village’s water treatment plant and the intersection of Carrollton Street and Alliance Road.

This proposed project will improve the water supply quality for the 100 water customers in the project area by replacing old, cast-iron water lines with new, plastic water lines. In addition, these water lines will provide fire protection in accordance with Ohio EPA requirements and provide new valves which will improve operation of the water system. Overall, potable water flow and the ability to isolate water line sections for maintenance will also improve. As needed, the project includes

provisions to remove any lead service lines found during construction, and replace them with service lines using a safer material.

Implementation

The total estimated cost for Phase 1 is \$1.85 million, of which \$1.27 million has been requested from the WSRLA. Under the WSRLA program, the village qualifies for a disadvantaged-community loan consisting of up to fifty percent in principal forgiveness funding (or \$635,000) and the balance in the form of a zero percent interest rate loan. Additionally, the village has received a \$500,000 Ohio Public Works Commission (OPWC) grant and about \$100,000 from local funds and other sources. By proposing to fund their project in this way, Ohio EPA anticipates that the Village of Malvern should be able to generate enough revenue under its current and proposed rate structure to continue to own, operate, and maintain its water distribution and treatment systems well into the future. The village is eligible for up to \$37,000 in principal forgiveness funds for lead service line replacement.

A typical residential customer is currently paying a fee of about \$580 a year. This fee is expected to increase to \$594 a year in 2024. When expressed as a percentage of the village's latest median household income (MHI) figure of \$46,667 this annual fee is about 1.27% of its MHI.

Under the village's proposed project schedule, WSRLA funds are expected to be awarded in September 2022, so that construction can commence soon thereafter. The village estimates that construction on this project can be completed in about nine months.

Public Participation

During project planning, the village held council meetings on this and other water infrastructure projects, including funding. To inform its residents of the lead service line replacement component of this project, the village plans to send a letter to each resident found to have lead service lines during the construction of Phase 1, and to gain written approval of access to private property through a work agreement with the property owner.

Ohio EPA will make a copy of this document available to the public on its web page (<https://epa.ohio.gov/divisions-and-offices/environmental-financial-assistance/announcements>) and will provide it upon request. A copy may also be posted at village offices and on its web site (if available).

Conclusion

The village's proposed project meets the project type criteria for a Limited Environmental Review (LER); namely, it is an action within an existing water distribution system, which involves the functional replacement of and improvements to existing water mains and service lines. Furthermore, the project meets the other qualifying criteria for an LER; specifically, the proposed project:

Will have no significant environmental effect on high-value environmental resources and will require no extensive impact mitigation unique to the assistance proposal because the proposed water line replacement project is limited to a prior-disturbed area of the village that does not encompass any unique or sensitive areas. Construction activities will be in and along village streets and adjacent rights-of-way and with site restoration have no effect on any flood prone locations in the village.

Routine construction management practices as are typically found in storm water pollution prevention plans and other impact mitigation proposals related to air quality, noise and traffic control, tree and drip line area protection, site dewatering, and archaeological resources are part of the village's proposed project during its estimated nine months construction timeframe. Further, a contingency plan will be followed should any unpermitted discharge of material from horizontal directional drilling activities occur. Overall, the net effect of the project will be positive as it entails replacement of existing water lines and not extension of service to an undeveloped area with sensitive resources.

Is cost effective and not the subject of significant public interest, or controversy. The necessary improvements were selected by the village as more cost effective than a no-action option on the basis of costs and non-monetary factors. Moreover, the proposed improvements and the funding available constituting the village's project are non-controversial because they will not adversely impact the environment, or the residential rates paid for water service.

Do not create a new, or relocate an existing discharge to surface or ground waters, and do not create a new source of water withdrawals from either surface or ground waters, or significantly increase the amount of water withdrawn from an existing water source, or substantially increase the volume of discharge or loading of pollutants from an existing source or from new facilities to receiving waters because the proposed project's purpose is restricted to addressing areas of the village where the main problems are inadequate (low) water pressure and reliability, water loss from the distribution system, and water line breaks resulting from the age and material of the existing water mains. Similarly, the village's lead service line replacements will have no significant effect on water use or the discharge of water pollutants.

Will not provide capacity to serve a population substantially greater than the existing population. Based on information provided by the village during planning, the project area is built out and so not expected to grow in population over the next twenty years. As a result, by replacing the water system components which have come to the end of their useful life, this proposed project is not meant to address future growth, but only to maintain the village's distribution system. On this basis, the proposed project, the accompanying lead service line improvements, and the population they are expected to support should have no effect on environmental attributes that are typically affected by growing populations.

To conclude, the village's project is sufficiently limited in scope and meets all applicable criteria to warrant an LER. The planning activities for the project identified no potentially significant, direct, indirect, or cumulative adverse impacts. The proposed project is expected to have no short- or long-term adverse impacts on the quality of the human environment or on sensitive resources such as air quality, floodplains, wetlands, archaeologically or historically significant sites, or threatened or endangered species. The village's proposed project will enable it to address its responsibilities under the Safe Drinking Water Act. Public health risks associated with potential exposure to lead in the village's distribution system in the project area are also expected to be reduced.

Contact information

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