

**VILLAGE OF HANOVER**

**PUBLIC HEARING**

**Thursday, February 23, 2023 @ 5 p.m.**

**Village Hall, 207 Jefferson St.**

- 1. Roll Call**
- 2. Public Hearing – EPA Loan Lead Service Lines/B Stocks**
- 3. Grants Update/B Stocks**
- 4. Streets Project/Motor Fuel Tax**
- 5. Water Connection-Franklin Street**
- 6. Audit**
- 7. Summer Hire – Job Description**
- 8. Vehicle Stickers**
- 9. 200 Jefferson St./105-107 Jefferson St/T Kurt**
- 10. Adjournment**

**Posted 2/21/23 @ 11:30 am**

**VILLAGE OF HANOVER, ILLINOIS  
NOTICE OF PUBLIC HEARING:**

NOTICE IS HEREBY GIVEN, that the Village Board of the Village of Hanover, Illinois will conduct a Public Hearing on Thursday, February 23, 2023 at 5:00pm. The purpose of the hearing is to provide an opportunity for public input regarding the proposed Lead Service Line Replacement Project.

The public hearing will include a discussion on the planning, design, and evaluation of the Lead Service Line Replacement Project. These improvements include the replacement of all Lead Service Lines in the Village of Hanover.

**PLACE OF HEARING:** This Public Hearing will be held at Village Hall, located at 207 Jefferson Street, Hanover, IL 61041. Members of the public who wish to comment can provide public comment via multiple mechanisms: 1) mail written comments to Village of Hanover, 207 Jefferson Street, Hanover, IL 61041 so that they are received before 4:00pm on February 23, 2023; 2) drop off written comments at Village Hall, 207 Jefferson Street, Hanover, IL 61041 so that they are received before 4:00pm on February 23, 2023; 3) email comments to [villagehall@villageofhanover.com](mailto:villagehall@villageofhanover.com); or, 4) contact the Village at 815.591.3800 before 4:00pm on February 23, 2023 to provide comments for the public record to be read at the Public Hearing.

The Village of Hanover has prepared a detailed Project Plan regarding this project, and the proposed financing of the project is through the Illinois Environmental Protection Agency (IEPA) Public Water Supply Loan Program. As a condition of the proposed funding, a Project Summary and Preliminary Environmental Impact Determination (PEID) has been prepared by IEPA. Detailed information on the project, together with the Illinois Environmental Protection Agency's (IEPA) Preliminary Environmental Impact Determination (PEID) documents, will be available for public inspection at Village Hall located at 207 Jefferson Street, Hanover, IL 61041.

Persons and/or organizations wishing to make a statement on the proposed project will be asked to identify themselves and their respective interest at the Public Hearing. Written statements regarding the subject of the Public Hearing will be accepted until 10 days after the hearing and should be addressed to the IEPA as indicated in the Preliminary Environmental Impact Determination document. Written comments can be directly submitted to IEPA to the attention of Ellen Watters, Infrastructure Financial Assistance Section, 1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276.



# ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217) 782-3397

JB PRITZKER, GOVERNOR

JOHN J. KIM, DIRECTOR

## Project Summary and Preliminary Environmental Impacts Determination

Date: DEC 15 2022

Loan Applicant: Village of Hanover

IEPA Loan Project Number: L174214

To all interested persons:

Section 662.330 of the Illinois Procedures for Issuing Loans from the Public Water Supply Loan Program requires that the Illinois Environmental Protection Agency (IEPA) conduct an assessment of the environmental impacts of proposed public water supply projects to be funded with loans. This review is carried out in conjunction with the Agency's review of the applicant's project plan.

Prior to final approval of the project plan, the public's comments are sought regarding environmental impacts of the proposed project. Unless new information obtained through the public comment process causes reconsideration, the Agency will approve the project plan at the close of the public comment period.

The applicant will make the attached Project Summary and Preliminary Environmental Impacts Determination (PEID) available for public inspection. Within 60 days of receiving this letter, the applicant must conduct a public hearing regarding both the PEID and project planning. Advertisement of the hearing must be made at least 10 days in advance. The advertisement must include the purpose of the project along with the date, time, and location of the hearing. A comment period of at least 10 days shall be provided after the hearing in which written comments may be submitted to the loan applicant or to the IEPA contact person identified in the attached document.

For information purposes only, a copy of this document is being provided to your local newspaper of record.

Your interest and participation in this process are appreciated.

Sincerely,

Heidi Allen  
Pre-Construction Unit Manager  
Infrastructure Financial Assistance Section  
Bureau of Water

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Attachment

2125 S. First Street, Champaign, IL 61820 (217) 278-5800  
1101 Eastport Plaza Dr., Suite 100, Collinsville, IL 62234 (618) 346-5120  
9511 Harrison Street, Des Plaines, IL 60016 (847) 294-4000  
595 S. State Street, Elgin, IL 60123 (847) 608-3131

2309 W. Main Street, Suite 116, Marion, IL 62959 (618) 993-7200  
412 SW Washington Street, Suite D, Peoria, IL 61602 (309) 671-3022  
4302 N. Main Street, Rockford, IL 61103 (815) 987-7760



## **Project Summary and Preliminary Environmental Impacts Determination (PEID)**

The following project summary and environmental assessment has been prepared by the IEPA to assist the loan applicant in complying with the public notice requirements. This report is based on information submitted to the IEPA by the Village of Hanover. Sources of information include the following documents: the November 2022 Project Plan Report prepared by Fehr-Graham, and, in response to IEPA requests for additional information, correspondence dated December 2, 2022, also prepared by Fehr-Graham.

### **Part I – Project Information**

**Project Name:** Project Plan Report – Lead Service Line Replacement

**Project Number:** L174214

**Loan Applicant:** Village of Hanover

**County:** Jo Daviess

**Current Population Served:** 796

**Future Population (20 year):** 866

**Number of Service Connections:** 400 customer accounts

**Project Description:** The Village of Hanover owns, operates, and maintains a drinking water distribution system. Water is supplied by two municipal wells and treated via chemical injection. The distribution system consists of approximately 81,290 feet of 4-inch to 12-inch mains. Most of these mains are cast iron.

It is likely that upwards of 70 percent of Village homes, for a total of at least 280, have lead service lines. Lead lines will be affirmatively identified via potholing during the design phase. This project seeks to replace all lead service lines found, from the water main to the meter, with polyvinyl chloride (PVC) or copper.

**Project Location:** Due to the older age of many homes, lead service lines are suspected throughout the Village. See attached map.

**Project Justification:** Service lines are small pipes that carry drinking water from the water mains into homes. Older service lines may be constructed from lead. Older household plumbing fixtures and faucets may also contain lead. Lead can enter drinking water when corrosion of pipes and/or fixtures occurs. Lead is a toxic metal that can accumulate in the body over time. The adverse health effects of lead exposure in children and adults are numerous and well-documented. Replacing lead service lines with PVC or copper will reduce the community's risk of lead exposure.

**Estimated Construction Start Date:** October 2023

**Estimated Construction Completion Date:** October 2024

**Project Cost Estimate:** Approximately \$4,000,000

## **Part II – Project Affordability for Residents and Utility Customers**

<b>Detailed Cost Estimate – Construction Year 2027</b>	
Design Engineering	\$ 257,000
Construction Engineering	\$ 394,000
Contract Administration	\$ 63,000
Construction Costs	\$ 2,983,000
Construction Contingency (10%)	\$ 297,000
<b>Total</b>	<b>\$ 3,994,000</b>

The Village of Hanover is proposing to finance the project costs with a loan from the IEPA Public Water Supply Loan Program (PWSLP). A loan in the amount of \$3,994,000, with an estimated interest rate of 1.24% for a twenty (20) year period, would have an annual repayment of approximately \$225,588. The current loan program interest rate is 1.24%. The interest rate adjusts annually on July 1st. All loans are subject to the interest rate in effect at the time a loan agreement is issued.

The Agency has a limited amount of funding for lead service line replacement (LSLR) that is currently being provided as 100% principal forgiveness. Once the current funding for LSLR is exhausted (likely during FY2023), future funding for lead service line replacement will not be in the form of 100% principal forgiveness. The Illinois EPA will be receiving additional federal funds that will be available for lead service line replacement. However, only 49% of those funds will be provided as principal forgiveness.

The loan program rules include provisions for incentives such as reduced interest rates, partial principal forgiveness, and extended repayment periods for qualifying applicants. The criteria used to determine incentive qualification are found in Sections 662.210 and 662.250 of the Procedures for Issuing Loans from the PWSLP, which are available on the Agency's website. The final decision for incentive qualification will be determined at the time a loan agreement is issued, using updated Census Bureau and Department of Labor data. Applicants that qualify for principal forgiveness will not have a repayment obligation for a portion of their loan. Principal forgiveness will reduce the loan payment amount and possibly any associated increases to the user charges. Principal forgiveness is not guaranteed until a loan agreement is issued.

If the Village receives principal forgiveness for 49% of their loan amount, the loan principal will be reduced to \$2,036,940. Using current data, the Village is also eligible to receive a small community interest rate of 0.93% (75% of the base interest rate) and a further 0.2% reduction of this rate as an environmental discount for removing lead. This would result in an interest rate of 0.73%. If the Village receives these incentives, the annual debt service would be reduced to approximately \$109,494. If this amount is divided between the system's 400 users, each would pay an additional \$22.81 per month. A user rate increase will be necessary to repay this loan. The



final loan and annual repayment amounts will be based on the as-bid project costs and the loan terms in effect on the dates that the loan agreements are issued.

**Source of Loan Repayment:** The Village's schedule of water charges was last updated in 1995. To finance lead removal, the Village will need to raise the base rate for water use.

**Current Average Monthly Residential Water Use:** 5,050 gallons

**Current Average Monthly Residential Cost of Service:** \$25.50

**Projected Average Monthly Residential Cost of Service:** \$48.31

**How the monthly residential rate/cost of service is calculated:**

The Village charges system customers consuming between 5,001-6,000 gallons a month \$25.50. In the future, a debt service charge will be added.

**Median Household Income (MHI):** \$42,941

**Percentage of MHI needed to pay the projected average annual residential cost of service:** 1.35%

**Financial Evaluation of the proposed project:** To evaluate the costs of the proposed project for the community, a percentage comparison of MHI to the average, annual cost for water service is utilized. The projected average annual water cost for residential customers of \$579.72 is 1.35% of the MHI for the Village of Hanover. This percentage is for comparison only and has no impact on whether a project qualifies for funding from the IEPA. The percentage comparison and MHI are two of several criteria used to determine whether a loan project qualifies for interest rate reductions or principal forgiveness.

### **Part III – Environmental Issues Associated with the Project**

**Project construction impacts:** No construction will take place on undeveloped land. Temporary adverse environmental impacts such as construction-associated noise, blowing dust, air emissions, and soil erosion will likely take place during construction. The replacement of lead service lines may temporarily increase lead concentrations in drinking water due to the release of metal from scale on pipes within the home that have not been replaced. The contractor performing lead service line replacement will flush the new service lines to each home, and residents will be instructed on how to flush the interior plumbing.

**Illinois Department of Natural Resources:** The Village of Hanover submitted project information to the Illinois Department of Natural Resources (IDNR), State Historic Preservation Office (SHPO), for consultation under Section 106 of the National Historic Preservation Act of 1966. The Department has concluded that adverse effects are unlikely.

The Village also submitted project information to the IDNR EcoCAT website to determine compliance with the Illinois Endangered Species Act, Illinois Natural Areas Preservation Act, the Illinois Wetlands Act, and Title 17 Ill. Adm. Code Parts 1075 and 1090. The Department has concluded that adverse effects are unlikely.

No construction will occur at or near a body of water that will require a review by the IDNR Office of Water Resources.

**U.S. Army Corps of Engineers (USACE):** No project construction activities will take place at or near wetlands. A permit from the USACE will not be required.

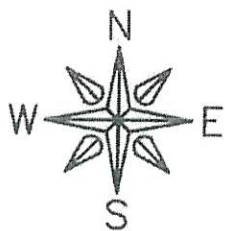
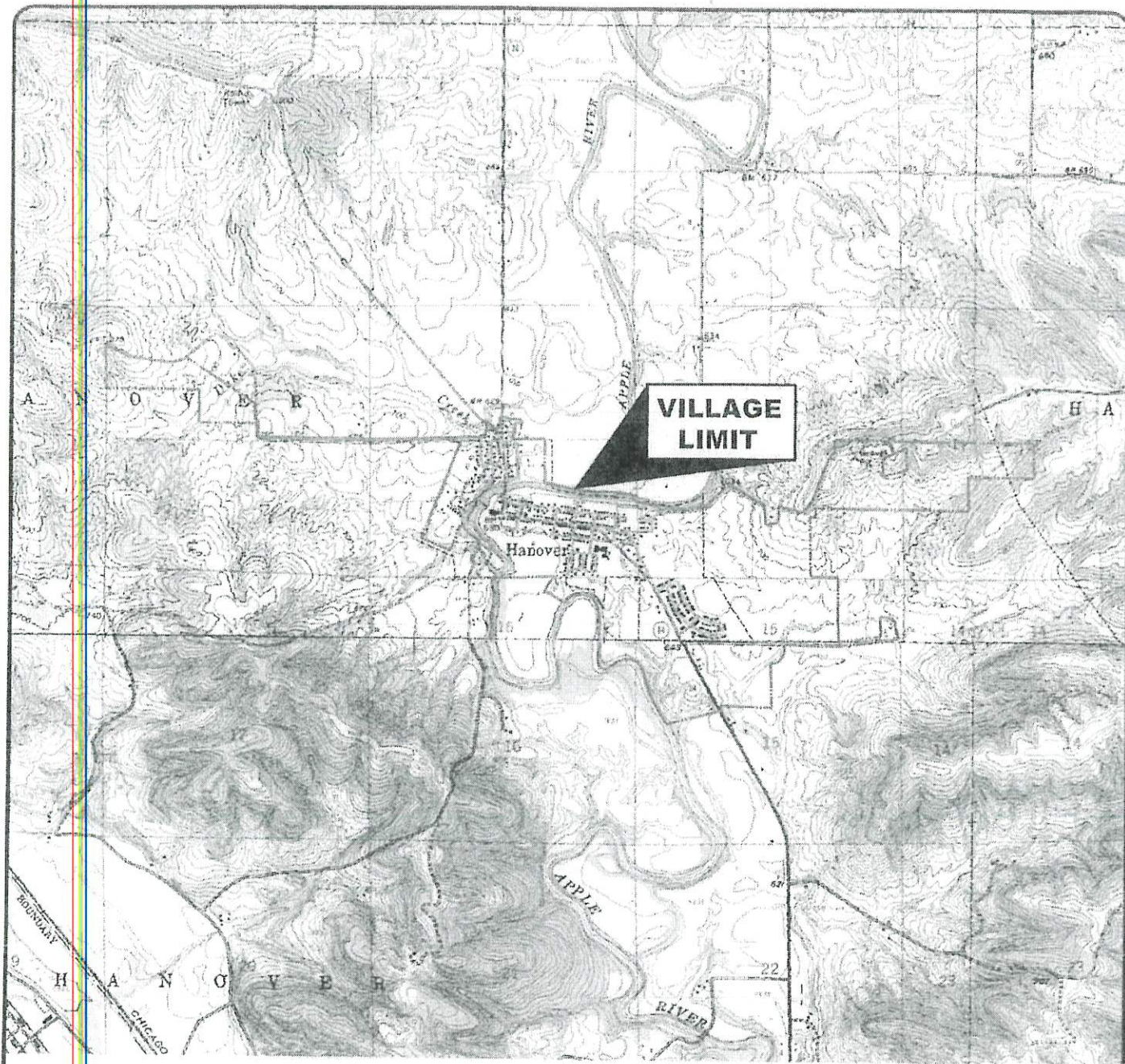
**Public comments are invited on the proposed project. For further information, contact:**

Ellen Watters, Project Manager  
Infrastructure Financial Assistance Section  
Illinois Environmental Protection Agency  
Bureau of Water

1021 North Grand Avenue East  
P.O. Box 19276  
Springfield, Illinois 62794-9276  
(217)782-2027

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GRAPHIC SCALE IN FEET

# SITE LOCATION MAP VILLAGE OF HANOVER JO DAVIESS COUNTY ILLINOIS 61041

06/29/22

**FEHR GRAHAM**

ENGINEERING & ENVIRONMENTAL  
 ILLINOIS DESIGN FIRM NO. 184-003525

ILLINOIS  
 IOWA  
 WISCONSIN

PLOT DATE: 6/29/22

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