



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF  
ENVIRONMENT, GREAT LAKES, AND ENERGY  
LANSING



PHILLIP D. ROOS  
DIRECTOR

April 22, 2024

TO: All Interested Citizens, Organizations, and Government Agencies

SUBJECT: FINDING OF NO SIGNIFICANT IMPACT  
**South Haven Area Water Sewer Authority, Van Buren County  
Water System Improvements Project  
Drinking Water State Revolving Fund Project Number 7775-01**

The purpose of this notice is to seek public input and comment on a preliminary decision by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) that an Environmental Impact Statement (EIS) is not required to implement recommendations discussed in the attached Environmental Assessment of a water supply project planning document submitted by the applicant mentioned above.

#### **HOW WERE ENVIRONMENTAL ISSUES CONSIDERED?**

Part 54, Safe Drinking Water Assistance, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, being Sections 324.5401 to 324.5418 of the Michigan Compiled Laws Annotated, requires EGLE to evaluate all environmental implications of a proposed water supply project. EGLE has done this by incorporating a detailed analysis of the environmental impact of the proposed alternatives in its review and approval process. A project planning document was prepared by the applicant and reviewed by the State. EGLE has prepared the attached Environmental Assessment and found that the proposed project does not require the preparation of an EIS.

#### **WHY IS AN EIS NOT REQUIRED?**

Our environmental review concluded that no significant environmental impacts would result from the proposed action. Any adverse impacts have either been eliminated by changes in the project planning document or will be reduced by the implementation of the mitigative measures discussed in the attached Environmental Assessment.

#### **HOW DO I GET MORE INFORMATION?**

A map depicting the location of the proposed project is attached. This information is also available on our website at [Michigan.gov/DWSRF](https://Michigan.gov/DWSRF) under "Additional Links." The Environmental Assessment presents additional information on the project, alternatives that were considered, impacts of the proposed action, and the basis for our decision. Further information can be obtained by calling or writing one of the contact people listed below.

#### **HOW DO I SUBMIT COMMENTS?**

Any comments supporting or disagreeing with this preliminary decision should be submitted to me at EGLE, P.O. Box 30457, Lansing, Michigan 48909-4957. We will not take any action on this project planning document for 30 calendar days from the date of this notice in order to receive and consider any comments.

### **WHAT HAPPENS NEXT?**

In the absence of substantive comments during this period, our preliminary decision will become final. The applicant will then be eligible to receive loan assistance from this Agency to construct the proposed project.

Any information you feel should be considered by EGLE should be brought to our attention. If you have any questions, please contact Lance Wood, the project manager, at 517-388-5780; WoodL8@Michigan.gov; or you may contact me. Your interest in this process and the environment is appreciated.

Sincerely,

*Dan Beauchamp*

Dan Beauchamp, Section Manager  
Water Infrastructure Funding and Financing Section  
Finance Division  
517-388-3380

Attachment

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**  
**Drinking Water State Revolving Fund (DWSRF)**  
**South Haven Area Water Sewer Authority, Van Buren County**  
**Environmental Assessment**  
**April 2024**

**PROJECT IDENTIFICATION**

**Applicant:** South Haven Area Water Sewer Authority

**Address:** 1199 8<sup>th</sup> Avenue  
South Haven, Michigan 49090

**Authorized Representative:** Dana Burd, Public Works Director

**Project Number:** 7775-01

**PROJECT OVERVIEW**

The South Haven Area Water Sewer Authority (SHAWSA) is applying for a low-interest DWSRF loan administered by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) to finance water main replacement, lead service line replacement (LSLR), a new elevated storage tank, and booster pump station. SHAWSA is located in western Van Buren and Allegan Counties in southwest Michigan along the shore of Lake Michigan. SHAWSA serves the city of South Haven (South Haven), South Haven Township, Covert Township (Covert), and Casco Township (Casco). Currently, the system serves approximately 10,904 residents with a slight decline in service area population expected over the next 20 years bringing the service area population to approximately 10,583. The service area serves both long-term residents and tourists to the area.

The total project is estimated to cost \$37,755,000. SHAWSA qualifies under state guidelines as a financially overburdened applicant and is eligible to receive an American Rescue Plan (ARP) grant not to exceed \$10,488,700. The DWSRF is also able to offer SHAWSA a \$17,120,000 DWSRF loan with \$8,388,800 in loan principal forgiveness from funds made available by the Bipartisan Infrastructure Law (BIL) for LSLR. The remaining project costs will be financed by a loan through the United States Department of Agriculture Rural Development (USDA-RD).

As a result of the project, the 2023 rate study forecasted the average residential customer could see a user rate increase up to 4.5 percent. This translates to an increase of approximately \$2.40 monthly on the average residential bill. This amount may be reduced as SHAWSA is receiving grant funds and principal loan forgiveness as part of the project. The final user rates will be determined based on the awarded loan amounts from the DWSRF and USDA-RD and future rate increases will be determined as necessary in future rate studies.

**PROJECT BACKGROUND**

SHAWSA owns and operates a water filtration plant (WFP) and distribution system that serves the service area. SHAWSA is comprised of South Haven, South Haven Township, and Casco. Covert is not a part of SHAWSA but is a customer of the system and is operated by SHAWSA. The WFP receives water from Lake Michigan that is treated and pumped to a reservoir before being sent into the distribution system. The WFP was built in 2009 and consists of an intake, raw water pump station, flocculation and sedimentation basins, gravity sand filters, and a high

service pump station. The WFP has a capacity of 5.44 million gallons per day based on the existing 24-inch diameter intake pipe.

The distribution system is comprised of approximately 205 miles of water mains ranging from 4-inches to 16-inches in diameter. It is estimated that around 27 percent of the mains were installed before 1934 with around 50 percent of the system installed after 2000. The distribution system contains three separate pressure districts. The low-pressure district is served by a 1-million-gallon (MG) elevated storage tank. The high-pressure district is served by a 1.5 MG standpipe, 0.3 MG elevated storage tank, and pumped water from the Industrial Park Booster Station. The Covert pressure district is served by a 0.2 MG elevated storage tank and pumped water from the Covert Booster Pump Station.

SHAWSA has 5,845 service lines in the distribution system. Most of the service lines have been inventoried to determine their material and whether replacement is necessary. There are a portion of services that have not yet been identified but are assumed to be lead. Based on current inventories, it is likely that there are approximately 2,038 services that are either lead or galvanized pipe previously connected to lead.

## **PROPOSED PROJECT**

### **A. Project Need**

In 2018 Michigan's Lead and Copper Rule (LCR) was revised, requiring all lead service lines (LSL), and galvanized steel water lines that are either currently or were historically connected to lead, be replaced within 20 years. This project plans to address all the LSLs identified within the system as part of the capital improvement plan schedule. LSLs encountered will be replaced to comply with the LCR and ensure safe drinking water.

Currently, the distribution system lacks redundancy between the high-pressure and Covert pressure districts. Since there is currently no water main connecting the two systems, installation of a new water main is recommended to provide redundancy. Without this water main, if one of the booster pump stations were to fail or need to be taken offline, the pressure districts do not have another way to be served. Additionally, there are current issues related to water age in Covert. By adding an additional water main to connect the system, this can provide additional flow to help reduce water age within Covert.

The existing 1.5 MG standpipe was built in 1924 and is in poor condition. SHAWSA was issued a Significant Deficiency Violation Notice (SDVN) from EGLE in 2022 because of the standpipe condition observed during a sanitary survey. At that time, the standpipe was found to have several large sections of concrete missing exposing the rusted metal rebar and pre-stressed wires. There were also cracks evident that could lead to further concrete deterioration. A 2019 inspection report indicated the same deficiencies and recommended to not use the standpipe at full capacity to prevent further stress on the tank. SHAWSA entered into an Administrative Consent Order (ACO) with EGLE on January 25, 2023. The ACO was a result of violations of the Safe Drinking Water Act and referenced the findings in the SDVN. The ACO includes a compliance schedule to resolve the violations, which includes replacement of the existing standpipe.

To resolve the deficiencies noted in the SDVN and ACO, construction of a new standpipe is needed to allow the existing standpipe to be decommissioned. Replacement of the standpipe is necessary to ensure needed storage volume and proper pressures for the high-pressure district. A new 1.0 MG storage tank would allow the existing standpipe to be decommissioned. Additionally, adjacent to the standpipe is

the Industrial Park Booster Station. Currently the station is served by a 14-inch diameter water main that is difficult to access. The booster station is connected to the standpipe and is necessary to provide adequate pressure for the high-pressure district. A new booster station completed alongside the new storage tank would address existing challenges related to the current station design and replace aging components within the station.

## **B. Alternatives Considered**

### No-action Alternative

The no-action alternative is not feasible for the LSLR as LSLs must be replaced to comply with Michigan's LCR. For the water main project if no action is taken, the districts would continue to operate without a connected water main. This would result in dependency on the single booster station and limited reliability or redundancy. The no-action for the standpipe is not feasible as it would not address the requirements of the ACO. SHAWSA is required to take the existing standpipe out of service and can only do so with the construction of a new storage tank. For the existing industrial park booster station, no-action would mean the existing station would continue to operate with limited reliability and would need modifications to disconnect from the existing standpipe. Since the no-action alternative does not accomplish the project goals for any of the projects, it is not considered further.

### Regional Alternative

The regional alternative is not feasible for LSLR as connections with additional systems does not address the required replacements under the LCR. The regional alternative is not feasible for the water main project as this does not address the single point of connection between the pressure districts. The regional alternative is not feasible for the standpipe and booster station projects as SHAWSA is already a regional provider and there is no nearby system that could supply the necessary capacity and pressures for the system. Therefore, this alternative is not considered further for the project.

### Optimization of Existing System

This alternative is not acceptable for the LSLR project as existing LSLs are no longer acceptable and must be replaced. The existing system is already optimized and operates well. Components within the distribution system are aged and in need of replacement for proper function. Optimization of the system does not satisfy the needs of the project and therefore will not be considered further.

### Construction Alternative

This alternative consists of the replacement of all LSLs within the system including galvanized pipe previously connected to lead. This includes full replacement or private-side only replacement as necessary to comply with the LCR. A new water main will be constructed to connect the high-pressure and Covert pressure districts. The water main will also include a two-way meter to track flows between the pressure districts. A new booster station would be constructed to replace the existing Industrial Park Booster Station. This includes the booster station, pumps, and associated water main improvements. Nearby water main would need to be replaced and upsized to best serve the proposed booster station.

The construction alternative for the elevated storage tank would involve the construction of a new elevated storage tank to replace the existing standpipe. For this alternative, two

different tank options were considered. Both a spheroid elevated tank and composite style tank were compared. Both storage tank designs offer the same capacity and benefits to the system. The composite style tank has a total coating surface area approximately 15,000 square feet less than the spheroid tank.

Since the above presented alternative meets the project goals, it was further evaluated through the monetary and environmental evaluations to determine the selected alternative.

### **C. Selected Alternative**

The selected alternative is the construction alternative. This consists of replacement of all LSLs within the distribution system. Based on service line inventories, it is estimated there are approximately 2,038 services needing replacement. LSLR consists of full replacement from the water main to the water meter or 18 inches within the house or structure, public side replacement from the water main to the curb stop, and private side replacement from the curb stop to the water meter. Services will be investigated prior to replacement to determine the necessary replacement for compliance with the LCR.

Approximately 4,500 linear feet of 12-inch diameter water main will be installed within the right-of-way along 72<sup>nd</sup> Street (72<sup>nd</sup>) between 16<sup>th</sup> Avenue and County Road 380 as seen in Figure 1. This water main will connect the high-pressure and Covert pressure districts to provide redundancy in the system. Additionally, the water main will be installed with a two-way metering vault to be able to track the flow between the districts.

The composite style storage tank is the selected alternative as it is more cost-effective for both construction and long-term operations and maintenance costs. The composite style tank has a smaller coating surface which helps reduce the maintenance costs. The composite tank will be a 1.0 MG elevated storage tank capable of provide necessary flow and pressures for the system. The new storage tank is proposed to be constructed at the existing Department of Public Works (DPW) site near 8<sup>th</sup> Avenue and Blue Star Highway (Blue Star) as seen in Figure 1. Necessary water main replacements and upsizing necessary to connect to the new storage tank will be completed at the DPW site.

The new booster station would be installed along Wells Street (Wells) near Blue Star as seen in Figure 1. The proposed booster station would include three pumps with variable frequency drives to allow the pumps to operate as needed to maintain pressure and flows. The station is designed to meet both the current and future demands of the system with the option to add a fourth pump in the future. Water main replacement along Wells necessary for the new station will also be completed from North Bailey Avenue. In addition, water main replacements will be constructed along Dunkley Avenue (Dunkley) and Dyckman Avenue to upsize the existing water main. The replacement with a 12-inch diameter water main is necessary for the new booster station.

With the construction of the new elevated storage tank and booster station, the existing facilities will be demolished. This includes the decommissioning and demolition of the existing standpipe and Industrial Park Booster Station after the new storage tank and booster station are operational. The standpipe and Industrial Park Booster Station are located adjacent to each other along Blue Star as seen in Figure 1. Demolition of the standpipe is necessary to avoid further deterioration. All materials will be recycled or disposed of in accordance with Occupational Safety and Health Administration requirements.

## **D. Project Cost and Implementation**

The total project is estimated to cost \$37,755,000. SHAWSA qualifies under state guidelines as a financially overburdened applicant and is eligible to receive an ARP grant not to exceed \$10,488,700. The DWSRF is also able to offer SHAWSA a \$17,120,000 DWSRF loan with \$8,388,800 in loan principal forgiveness from funds made available by the BIL for LSLR. The remaining project costs will be financed by a loan through the USDA-RD.

As a result of the project, the 2023 rate study forecasted the average residential customer could see a user rate increase up to 4.5 percent. This translates to an increase of approximately \$2.40 monthly on the average residential bill. This amount may be reduced as SHAWSA is receiving grant funds and principal loan forgiveness as part of the project. The final user rates will be determined based on the awarded loan amounts from the DWSRF and USDA-RD and future rate increases will be determined as necessary in future rate studies.

Construction is planned to begin in the fall of 2024 and conclude in 2027. Construction will be phased to complete demolition only after the new storage tank and booster station are complete.

## **PROJECT IMPACTS**

### **A. Water Quality Impacts**

Land and water interface issues, including work in wetlands and floodplains, were reviewed. Construction of the water main replacement along Dunkley is within the regulated floodplain. Since the work involves utility crossing in the floodplain but the floodplain will be restored to existing elevation, a permit is not required.

As part of the water main construction along 72<sup>nd</sup>, there are wetlands located within the construction area. Work within regulated wetlands requires a Joint Permit Application from EGLE and the United States Army Corps of Engineers. SHAWSA will obtain the necessary permits for construction and follow all permitting and mitigation requirements to mitigate impacts to wetlands.

During construction, proper soil erosion and sedimentation control measures will be followed to avoid adverse impacts to surface waters. This project will improve the existing water supply system to continue to provide safe drinking water and address the ACO. Removal of LSLs ensures drinking water will be safe for residents.

### **B. Construction Impacts**

The construction impacts are expected to be short-term limited impacts. These construction impacts include noise and exhaust from construction equipment, dust, soil erosion, and traffic disruption. These impacts will be mitigated by working within approved work hours, mufflers on equipment, traffic controls, and wetting of disturbed soils to reduce dust production. Standard construction best management practices will be followed to ensure no short-term or long-term impacts result from construction. Access to all properties will be maintained during construction. An effort will be made to avoid removal of existing vegetation where possible, but if not possible, all disturbed areas will be restored to pre-project conditions. There are no long-term adverse impacts anticipated as a result of the project.

The State Historic Preservation Office (SHPO) was contacted to complete the Section 106 review to determine if the project may impact historical or archaeological resources. SHPO determined that there are no adverse effects anticipated as a result of the project, but SHAWSA is required to follow mitigation guidelines from SHPO to ensure no adverse effects. This includes archaeological monitoring from a professional archaeologist when working around Phoenix Street as seen in Figure 2. Additionally, SHAWSA is required to develop and submit an Unanticipated Discoveries Plan to SHPO prior to construction. Any archaeological or historical resources found during monitoring must be avoided, minimized, or mitigated and reports must be submitted to SHPO. SHAWSA agreed to the SHPO conditions and signed the acceptance letter and returned to SHPO.

All federally listed tribes with a history of land use in the area were contacted to provide comments regarding any potential impacts. There were no adverse impacts to tribal resources identified.

The construction of the proposed elevated storage tank was submitted to the Federal Aviation Administration (FAA) to determine if it presented an air navigation hazard. The FAA review determined that the proposed storage tank does not exceed obstruction standards, is not an air navigation hazard, and lighting is not required. SHAWSA must submit the FAA Notice of Actual Construction or Alteration within 5 days after construction has reached the tallest height.

### **C. Threatened and Endangered Species Impacts**

As part of the review process, consultation with the Michigan Natural Features Inventory (MNFI) was completed to conduct a rare species review. MNFI determined that there were several at-risk species documented within 0.5 miles of the project location and the possibility for adverse impacts. There does not appear to be suitable habitat for threatened or endangered species within the construction areas. Therefore, impacts to threatened and endangered species is not likely and will not require an endangered species permit. If there are impacts to endangered species, the necessary permit will be obtained from the Michigan Department of Natural Resources and the United States Fish and Wildlife Service (USFWS). Since there is no stream work proposed within the Black River and proper soil erosion and sedimentation controls will be followed, impacts on mussel species are not anticipated.

The Section 7 review through the USFWS was completed to determine if any impacts to protected species were likely. The review determined that the project would have no effect on most threatened and endangered species and is not likely to adversely affect four different species. This includes the Eastern massasauga rattlesnake, Indiana bat, Northern long-eared bat, and Rufa red knot. In review of the project area, there does not appear to be suitable habitat for threatened or endangered species that would be negatively impacted by construction. Tree removals are not anticipated for the water main or LSLR projects and if necessary for the booster station and storage tank, tree removals will be completed outside of the DWSRF project and done between October 1 and April 14 to minimize impacts to bat species.

## **PUBLIC PARTICIPATION**

A formal public meeting for the proposed project was held at 4:00 p.m. on April 25, 2023, in the SHAWSA DPW Conference Room as part of the regular board meeting. Notice was posted on the SHAWSA website on April 13, 2023. A presentation was given on the proposed project. During the meeting, questions were asked by board members regarding the project scope and



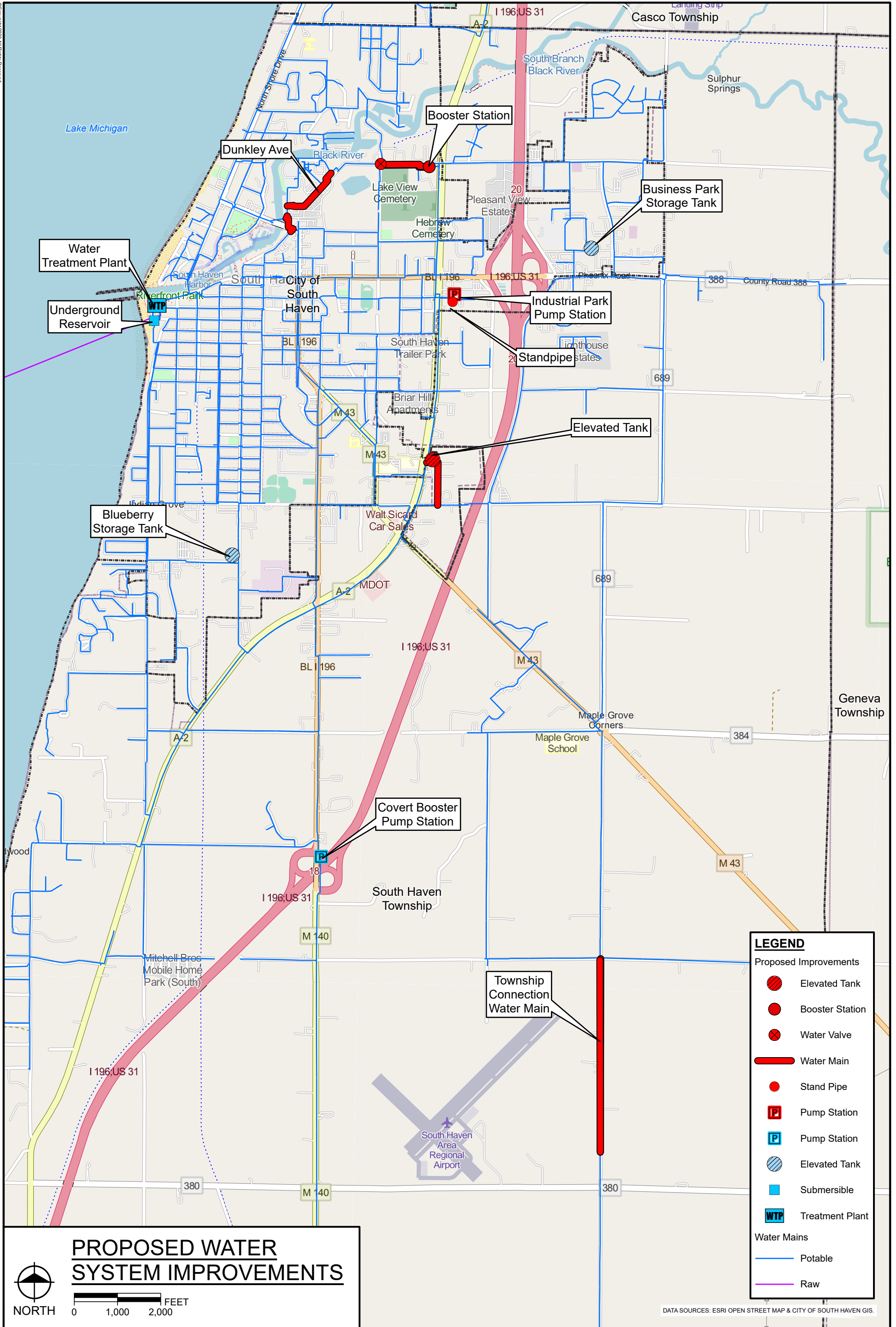
LSLR. All questions were answered during the meeting. There were no comments submitted by members of the public. A resolution to adopt the project plan was adopted by the SHAWSA board on April 25, 2023, after the conclusion of the public meeting.

### **REASONS FOR CONCLUDING NO SIGNIFICANT IMPACTS**

The proposed project will address aging water infrastructure and remove many LSLs within the system. The project will have no significant adverse direct, indirect, or cumulative impacts on socioeconomic, cultural, or environmental factors. Any impacts will be mitigated to the fullest extent possible and comply with all state and federal regulations. The water quality and public health benefits anticipated from the project are expected to outweigh the short-term adverse construction impacts.

Questions regarding this Environmental Assessment should be directed to:

Lance Wood, Project Manager  
Water Infrastructure Funding and Financing Section  
Finance Division  
Michigan Department of Environment, Great Lakes, and Energy  
P.O. Box 30457  
Lansing, Michigan 48909-4957  
Telephone: 517-388-5780  
Email: WoodL8@Michigan.gov



**LEGEND**

Proposed Improvements

- Elevated Tank
- Booster Station
- Water Valve
- Water Main
- Stand Pipe
- Pump Station
- Pump Station
- Elevated Tank
- Submersible
- Treatment Plant

Water Mains

- Potable
- Raw

DATA SOURCES: ESRI OPEN STREET MAP & CITY OF SOUTH HAVEN GIS.

**PROPOSED WATER SYSTEM IMPROVEMENTS**

NORTH

0 1,000 2,000 FEET

FIGURE <b>1</b>	PROJECT NO. 221590	<p><b>SHAWSA</b> Allegan and Van Buren County, Michigan</p> <p><b>Drinking Water State Revolving Fund (DWSRF) Planning Document</b></p>	<p>Hand copy is intended to be plotted. Scale(s) graphic and any not be accurate for any other size.</p>	<p>Engineers   Architects   Scientists   Constructors</p>
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# Archaeological Area

Area requiring Archaeological Monitoring per SHPO determination Letter

Figure 2

