



GRETCHEN WHITMER  
GOVERNOR

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



PHILLIP D. ROOS  
DIRECTOR

April 29, 2024

TO: All Interested Citizens, Organizations, and Government Agencies

SUBJECT: FINDING OF NO SIGNIFICANT IMPACT  
**City of Ishpeming**  
**Water Main and Lead Service Line Replacement**  
**Drinking Water State Revolving Fund Project Number 7708-01**

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 Valorie White, the project manager, at 517-599-5879; [WhiteV1@Michigan.gov](mailto:WhiteV1@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)**  
**Environmental Assessment**  
**City of Ishpeming, Marquette County**  
**April 2024**

**PROJECT IDENTIFICATION**

**Applicant:** City of Ishpeming

**Address:** 100 East Division Street  
Ishpeming, Michigan 49849

**Authorized Representative:** Mr. Craig Cugini, City Manager

**Project Number:** 7708-01

**PROJECT SUMMARY**

The city of Ishpeming (Ishpeming) is located in Marquette County in the northern central portion of the Upper Peninsula. Ishpeming owns and operates a municipal drinking water distribution system which provides water for the city. Water is supplied and treated by the Negaunee Ishpeming Water Authority before flowing into the Ishpeming distribution system. Currently, Ishpeming anticipates seeing population decline over the next twenty years.

Ishpeming is applying for a 30-year low interest DWSRF loan administered by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for water main replacement and lead service line replacement (LSLR). The estimated cost of the proposed project is \$19,960,200. Ishpeming qualifies under state criteria as a financially overburdened community and is eligible to receive an American Rescue Plan (ARP) grant not to exceed \$9,896,800 to cover eligible DWSRF expenses. The remaining project costs will be financed by a DWSRF loan totaling \$10,063,400. Ishpeming also qualifies for principal loan forgiveness in the amount of \$83,300 made available by funds from the Bipartisan Infrastructure Law (BIL) for LSLR projects. The financial impact of this project to the average residential customer in Ishpeming would be a rate increase of up to \$29.50 per month for a project of this cost. This amount is expected to be reduced based on the grant and loan principal forgiveness. Ishpeming qualifies for. Project construction is anticipated to begin in October 2024 and be completed in December 2026.

**PROPOSED PROJECT**

**A. Existing System and Project Need**

The Ishpeming distribution system contains 253,059 linear feet (lft) of water main that range in size from 4-inches to 12-inches in diameter, with the majority of the pipe being 6-inch diameter cast iron mains. Installed prior to 1960, these old undersized cast iron mains are brittle, and prone to breaking. Each time a water main breaks it causes a drop in water pressure throughout the system, introduces the threat of contamination into the distribution system, and results in water loss.

Additionally, as part of this project, Ishpeming intends to replace any lead service lines (LSLs) encountered during construction. Ishpeming was awarded a Drinking Water Asset Management grant by EGLE for the investigation and identification of service line materials throughout the city. This work will be performed in the summer of 2024. As part of the project, Ishpeming intends to replace any lead or galvanized service lines once connected to lead with copper pipe in order to comply with the Michigan Lead and Copper rule that mandates the removal of lead from distribution systems.

## **B. Alternatives Considered**

### No-action Alternative

The no-action alternative would result in continuing water main breaks, and lead in the distribution system. Therefore, this alternative was not considered further.

### Regional Alternative

Ishpeming is already part of a regional water system. The issues facing Ishpeming are specific to water main condition and lead in the system and would be required regardless. Therefore, this alternative was not considered further.

### Optimization

Optimization of the existing mains would not prevent the breaks or address the lead present in the service lines. Therefore, it was not considered further.

### Replacement Alternative

Ishpeming considered two feasible alternatives to deal with the old undersized water mains. The first alternative involves removal and replacement of the existing cast iron pipe with ductile iron pipe via the open cut method. The second alternative would replace the water mains via directional boring with high-density polyethylene (HDPE) pipe. While reviewing the alternatives, it was determined that the HDPE pipe would need to be buried a foot deeper due to freezing, and the area would still need to be dug up due to the number of laterals. This would negate any advantages the more expensive directional boring installation method would offer. Therefore, the reliability of ductile iron installed via open cut was determined to be the best alternative.

Ishpeming determined that replacement was the only real alternative for LSL issues. LSLs will be replaced with copper lines utilizing the directional drilling installation method.

## **C. Selected Alternative**

Ishpeming determined that ductile iron pipe installed by the open cut installation method was the best alternative for the water main replacements. Approximately 30,000 lft of cast iron mains will be replaced throughout the city (Figure 1). This includes 3-inch, 4-inch and 6-inch diameter mains that will be replaced with 8-inch diameter ductile iron main, while 12-inch diameter mains will be replaced with new 12-inch diameter mains. As part of this work, new hydrants and valves will also be installed. While Ishpeming has not yet completed the DWAM grant identifying the service material, it is believed that there are approximately 20 LSLs located in the distribution system which will be replaced as part of this project. LSLs will be installed via the directional drilling installation method from the water main to the curb stop for public side replacement and from the curb stop to the water meter or 18-inches

inside the building for private side replacements. Residents will be notified prior to work on their service line.

The selected alternative is expected to cost Ishpeming \$19,960,200 to construct. Ishpeming is eligible to receive an ARP grant not to exceed \$9,896,800, to cover eligible DWSRF expenses. Ishpeming will finance \$10,063,400 of the remaining project costs with a 30-year DWSRF loan at 2.00 percent interest. As part of the loan, up to \$83,300 made available by funds from the BIL for LSLR, is eligible for principal loan forgiveness. The combination of grant and principal loan forgiveness is 50 percent of the eligible DWSRF project total. In addition, since Ishpeming qualifies as a financially overburdened community based on state criteria, they will receive a 0.75 percent interest rate deduction from the standard CWSRF rate of 2.75 percent.

As a result of the project, the typical residential customer could see an increase in their water rates of up to \$29.50 per month. This amount could decrease due to the grant and principal forgiveness Ishpeming anticipates receiving. Project construction is anticipated to begin in October 2024 and be completed in December 2026.

## **IMPACT OF PROJECT**

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

The proposed project will provide reliable water mains and remove potential sources of lead. This project will reduce the number of breaks Ishpeming experiences, removes LSLs, and helps maintain the system for the next twenty years.

### **B. Primary Impacts**

Impacts of construction activities associated with the project are considered short-term disruptions that, for the most part, will not extend beyond the period of construction. Short-term adverse impacts associated with construction include noise, dust, exhaust fumes, removal of groundcover, and increased erosion potential.

Construction associated with the projects will occur in the road right-of ways, and through directional drilling with the installation of the LSLs. Construction contract provisions will be enforced for compliance with the Soil Erosion and Sedimentation Control Act to prevent damage to the surrounding areas from soil erosion, dust, and sedimentation.

Potential groundwater contamination exists on Deer Lake Road next to the Marquette County Road Commission garage due to a prior leaking underground storage tank. The contaminated groundwater plume extends across the street into the cemetery. A remediation system was installed years ago but Ishpeming is currently determining the actual status of the plume. In order to take a conservative approach, Ishpeming intends to modify the plans to include chemical resistant fittings on all mains near areas of potential contamination.

This project was reviewed by the State Historic Preservation Office (SHPO), and they concluded that this project is not expected to cause impacts on historical, archeological, religious, or culturally significant areas. SHPO has requested that Ishpeming submit an unintended discovery plan prior to construction starting. The Michigan Natural Features Inventory and United State Fish and Wildlife reviewed the area for potential impacts to endangered or threatened species. It was determined that no impacts to species or their habitat will occur as a result of this project. No tree removal is anticipated during this project,

but, if necessary, no trees will be cut from April 1<sup>st</sup> through October 14<sup>th</sup> during the Indiana bat and Northern long eared bat roosting season.

Five Tribal Historical Preservation Officers were contacted and given the opportunity to comment on the proposed construction plan. No comments have been received opposing the proposed project.

### **C. Secondary Impacts**

No significant secondary impacts are anticipated as a result of this project. The project was designed to address the need for clean safe drinking water, remove undersized mains and potential sources of contamination, and provide service for years to come. Improvements to the system are associated with the need to address deficiencies, public health threats, and increase the reliability of the system.

## **PUBLIC PARTICIPATION**

A formal public hearing for the proposed project was held in person at a specially scheduled meeting on May 30, 2023, after notice was placed on the city website and Facebook page on May 18, 2023. Presentations were made on the project planning document, including alternatives considered, project impact, and estimated costs. Questions and comments were addressed at the public hearing. The City Commission passed a resolution approving the project planning document and agreeing to implement the selected alternatives on May 30, 2023, after the close of the public hearing.

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

The proposed project will rehabilitate deficient water mains and replace LSLs. The water quality benefits anticipated from the project are expected to outweigh the short-term adverse impacts and will provide long-term beneficial impacts.

Questions regarding this Environmental Assessment should be directed to:

Ms. Valorie White, 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: 517-284-5433  
E-Mail: [WhiteV1@Michigan.gov](mailto:WhiteV1@Michigan.gov)

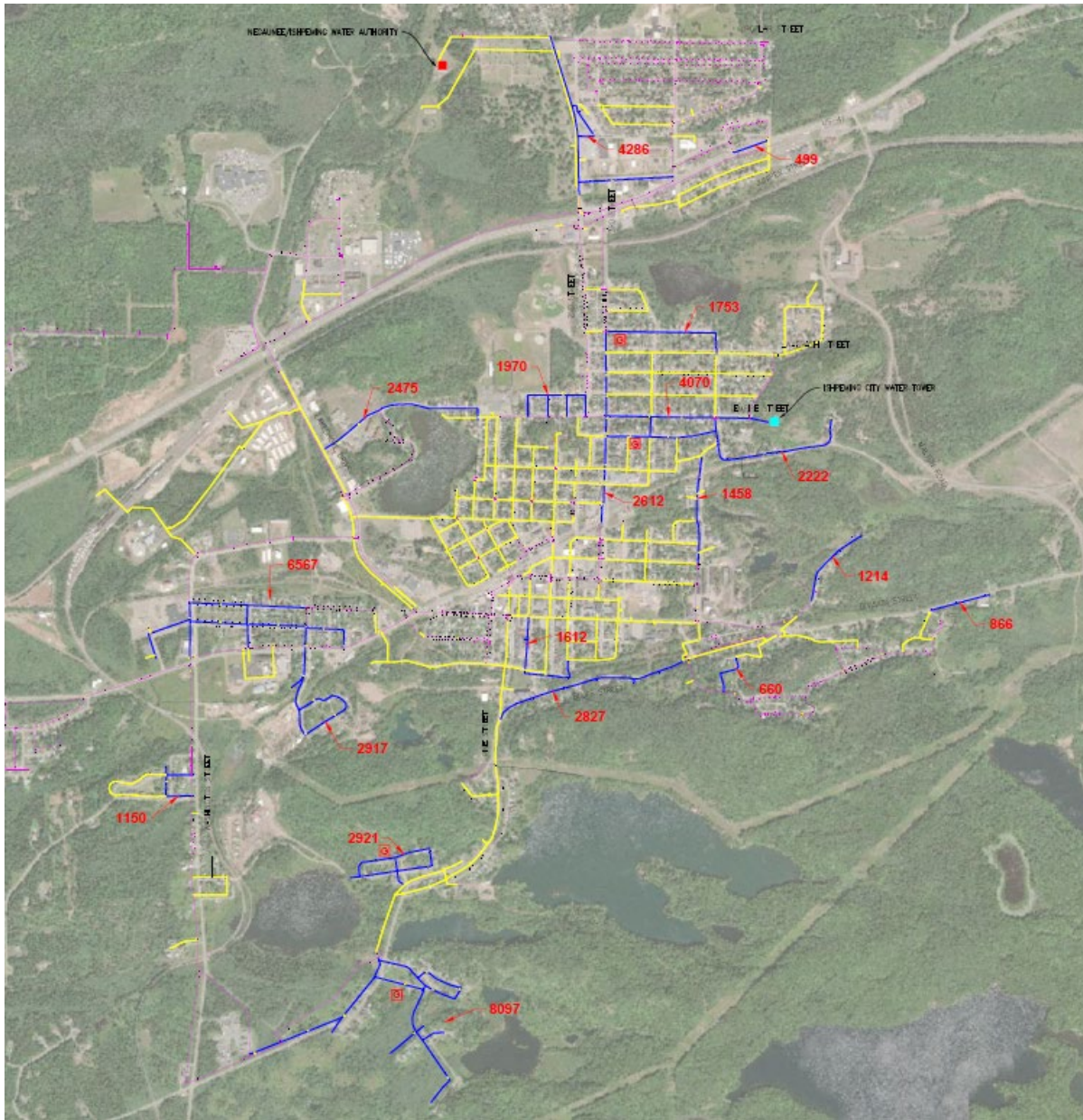


Figure 1: Location of the proposed water main replacements throughout Ishpeming. Water main replacement is highlighted with the blue lines.