



GRETCHEN WHITMER  
GOVERNOR

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



LIESL EICHLER CLARK  
DIRECTOR

May 26, 2022

TO: All Interested Citizens, Organizations, and Government Agencies

SUBJECT: **DRINKING WATER STATE REVOLVING FUND (DWSRF)  
CATEGORICAL EXCLUSION  
Charter Township of Hampton, Bay County  
DWSRF Project Number: 7593-01**

The purpose of this notice is to advise interested parties of a proposed decision by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) that the criteria for qualifying for a Categorical Exclusion are met and this project will not have a significant adverse impact on the environment or public health, and thus, qualifies for a Categorical Exclusion under Section 5408 of 1994 PA 451. Consequently, an Environmental Assessment or an Environmental Impact Statement is not required to implement the water supply project discussed in the attached document.

### CRITERIA USED IN MAKING THE DETERMINATION

Part 54 of the Safe Drinking Water Assistance Act specifies six exclusionary criteria that must be met before EGLE can conclude that a proposed project qualifies for a Categorical Exclusion. The criteria are as follows:

- (1) The project must not result in an increase in residuals and sludge generated by drinking water processes which would negatively impact the performance of the waterworks system or the disposal methods or would threaten an aquifer recharge zone.*
- (2) The proposed facilities must not be designed to provide service to a population greater than 30 percent of the existing population, unless population projections required in section 5405(3)(e) support projected needs.*
- (3) The proposed public water supply project must not be expected, to directly or indirectly affect cultural areas, fauna or flora habitats, endangered or threatened species, or environmentally important natural resource areas.*
- (4) The proposed public water supply project must not directly or indirectly involve the extension of transmission systems to new service areas.*
- (5) The proposed public water supply project has been shown to be the cost-effective alternative.*
- (6) The proposed public water supply project will not cause significant public controversy.*

### PROJECT DETAIL

An attachment describing the proposed project is provided. This information is also available on our website at [Michigan.gov/DWSRF](https://Michigan.gov/DWSRF) under "Related Links." It presents information related to the proposed project, including the alternative selected, rationale for our decision to grant a Categorical Exclusion, and other pertinent information. Map(s) showing the location of the proposed project are also included.

The attachment provides information and allows appropriate federal cross-cutter agencies and state agencies an opportunity to submit information that may impact EGLE's decision prior to its effective date. Significant issues raised by these agencies could result in EGLE staff preparing a full Environmental Assessment.

**WHERE DO I SUBMIT COMMENTS?**

Any comments regarding this decision should be submitted to:

Ms. Leni Steiner-Zehender, Project Manager  
Water Infrastructure Financing Section  
Finance Division  
Michigan Department of Environment, Great Lakes, and Energy  
P.O. Box 30457  
Lansing, Michigan 48909-7957

**EFFECTIVE DATE OF THE EGLE DECISION ON THE CATEGORICAL EXCLUSION**

Absent comments that introduce significant information contrary to EGLE's final determination, the Categorical Exclusion will become effective upon conclusion of the 30-day comment period.

Questions regarding this project can be directed to Ms. Leni Steiner-Zehender, project manager, Water Infrastructure Financing Section, Finance Division, by phone at 517-231-9913, by email at [Steinerl@michigan.gov](mailto:Steinerl@michigan.gov), or by mail at EGLE, P.O. Box 30457, Lansing, Michigan, 48909-7957; or you may contact me. Your interest in this process is greatly appreciated.

Sincerely,

*Eric Pocan*

Eric Pocan, Unit Supervisor  
Water Infrastructure Financing Section  
Financing Division  
517-284-5433

Attachment

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**  
**Drinking Water State Revolving Fund (DWSRF)**  
**Charter Township of Hampton, Bay County**  
**Categorical Exclusion**  
**May 2022**

**PROJECT IDENTIFICATION**

**Applicant:** Charter Township of Hampton  
**Authorized Representative:** Terri Close, Township Supervisor  
**Address:** 801 West Center Avenue  
Essexville, Michigan 48732  
**Project Number:** 7593-01

**PROJECT OVERVIEW**

The Charter Township of Hampton (Hampton) is located in Bay County and has a land area of approximately 32.5 square miles. Hampton has a residential population of 9,452 according to the United States Census Bureau. The service population is expected to increase slightly to 9,935 by 2045 and thus drinking water demand is not anticipated to change significantly in the next 20 years.

Hampton is applying for a DWSRF loan administered by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for the replacement of lead service lines (LSLs). As a disadvantaged community undertaking lead service line replacement (LSLR), Hampton is eligible to receive Water Infrastructure Fund Transfer Act funding through the DWSRF, which can provide up to 100 percent principal forgiveness for construction activities related to LSLR.

The estimated cost of the project is \$1,875,000 which would result in a billing increase of approximately \$8.68 a month for the average residential user. Hampton is anticipated to receive \$1,875,000 in principal loan forgiveness which could eliminate the monthly increase amount to the residential users.

**EXISTING SYSTEM**

Hampton's water supply comes from the Bay Area Water Treatment Plant (BAWTP). The BAWTP purchases raw water that is drawn from Lake Huron by the Saginaw-Midland Municipal Water Supply Corporation. This raw water travels approximately 50 miles to the BAWTP for treatment. Hampton has two elevated storage tanks, 1.0 million gallons (MG) and 0.25 MG, that are maintained by the BAWTP.

Hampton has 2,980 service lines, approximately 330 are unknown-likely to contain lead, approximately 2,360 are unknown-likely to not contain lead, and approximately 290 are "material unknown" that need to be verified.

Hampton's water distribution system consists of over 520,000 linear feet (lft) of watermain ranging from 2-inches to 16-inches in diameter, 671 fire hydrants with valves, and 103 main line valves. The water distribution system is composed of 86 percent asbestos cement, six percent

ductile iron, five percent polyvinyl chloride, and three percent cast iron. (see Figure 1) Over 86 percent of the system was built between 1960 to 1970.

## **NEED FOR PROJECT**

A letter dated June 10, 2019, from EGLE shows Hampton’s water supply exceeded the Action Level for lead and the December 2017 water asset management plan shows the that more than 330 of the service lines are lead and are suspected to have lead goosenecks at the main. These services will be replaced entirely from the water main to either the water meter or 18-inches within the house or structure.

The Michigan Lead and Copper Rule requires water suppliers to replace all lead water service lines and galvanized steel water service lines if the galvanized service line is or was historically connected to a lead pipe. LSLR is intended to improve water quality, by reducing the risk of lead leaching into the drinking water through the service line pipe material. Lead in drinking water may impose a serious negative impact on human health.

## **PROPOSED PROJECT**

The selected alternative is the replacement alternative. This alternative would replace the existing LSLs throughout Hampton. These services will be replaced entirely from the water main to either the water meter or 18-inches within the house or structure. There are over 330 services that may be constructed with lead or galvanized pipe. The proposed project is expected to start construction in August of 2022 with a completion date of December of 2022.

**TABLE 1 – Project Cost**

<b>Component</b>	<b>Cost</b>
LSLR	\$1,875,000
<b>Total Project Construction Costs</b>	<b>\$1,875,000</b>

The proposed project is expected to be financed with a 20-year loan at 1.875 percent interest from the DWSRF. A loan for \$1,875,000 would result in a billing increase to the average residential user of \$8.68 per month. However, Hampton is expected to receive \$1,875,000 in principal loan forgiveness for LSLR construction activities and will use cash on hand to cover the engineering, legal, financial, and administrative fees. As a result, this project may occur with no rate increase for the system customers.

## **EXISTING ENVIRONMENT AND POTENTIAL IMPACTS**

### **Construction Impacts**

Construction of the project will result in short-term impacts such as noise, dust, and traffic disruption, in the project area. The construction will be within the existing footprint and should not significantly impact the surrounding commercial and residential properties or the environment. Once the LSLR locations are determined, Hampton will send letters to notify residents, including a tentative schedule 30 days before construction will commence. Reminder letters including confirmation of the date of construction will be sent out a within a week of the construction commencing. Service interruptions will necessary and should last no longer than one day.

## **Water Quality Impacts**

The contractor will be required to obtain a soil erosion and sedimentation control permit from the local agency prior to the start of the work. It is anticipated that mitigation measures that may be utilized will include silt fence, straw bales, rip rap, geotextile fabric, etc. as appropriate. Mitigation and abatement measures will be detailed in both the plans and specifications for this site work.

## **Endangered Species**

Information provided by Michigan Natural Features Inventory, United States Environmental Protection Agency Endangered Species Protection Project, and the United States Fish and Wildlife Service revealed potential habitat for the following endangered or threatened species in Bay County: the Indiana bat, Piping plover, Northern long-eared bat, Red knot, Eastern massasauga rattlesnake, and Eastern prairie fringed orchid. Due to the nature of this project, and working within existing paved roads and lawn areas, the normal habitat for any of these species will not be affected. It does not appear that any of the proposed work will take place in a designated floodplain or wetland. In addition, no agricultural lands exist within Hampton.

## **Historical Preservation**

There are no known historical tribal areas or national landmarks within the proposed project area. If any artifacts are discovered during construction, work will immediately stop and the State Historic Preservation Office and associated Tribal Historic Preservation Officers will be contacted.

## **PUBLIC PARTICIPATION**

A public hearing to discuss the proposed project was held at 7 pm on June 28, 2021, at the Hampton Township Hall. The hearing was advertised on May 27, 2021, in *The Valley Farmer*, and the project plan was available for viewing at the Hampton Township Hall. There were no public comments or questions. A resolution adopting the project plan and implementation of the selected alternative was unanimously approved by the Hampton Township Council on June 28, 2021.

## **RATIONALE FOR CATEGORICAL EXCLUSION**

In accordance with Part 54, Safe Drinking Water Assistance, of Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, Section 5408(5) specifies criteria that must be met to grant a Categorical Exclusion from further environmental review activity to a proposed DWSRF assisted project. The EGLE staff has carefully reviewed the Hampton LSLR project and related documents and has determined that no significant adverse impacts are anticipated by implementation.

Questions regarding this Categorical Exclusion should be directed to:

Ms. Leni Steiner-Zehender  
Water Infrastructure Financing Section  
Finance Division  
Michigan Department of Environment, Great Lakes, and Energy  
P.O. Box 30457  
Lansing, Michigan 48909-4957  
Telephone: 517-231-9913  
E-Mail: [Steinerl@michigan.gov](mailto:Steinerl@michigan.gov)

# Hampton Twp Water Distribution Main Material

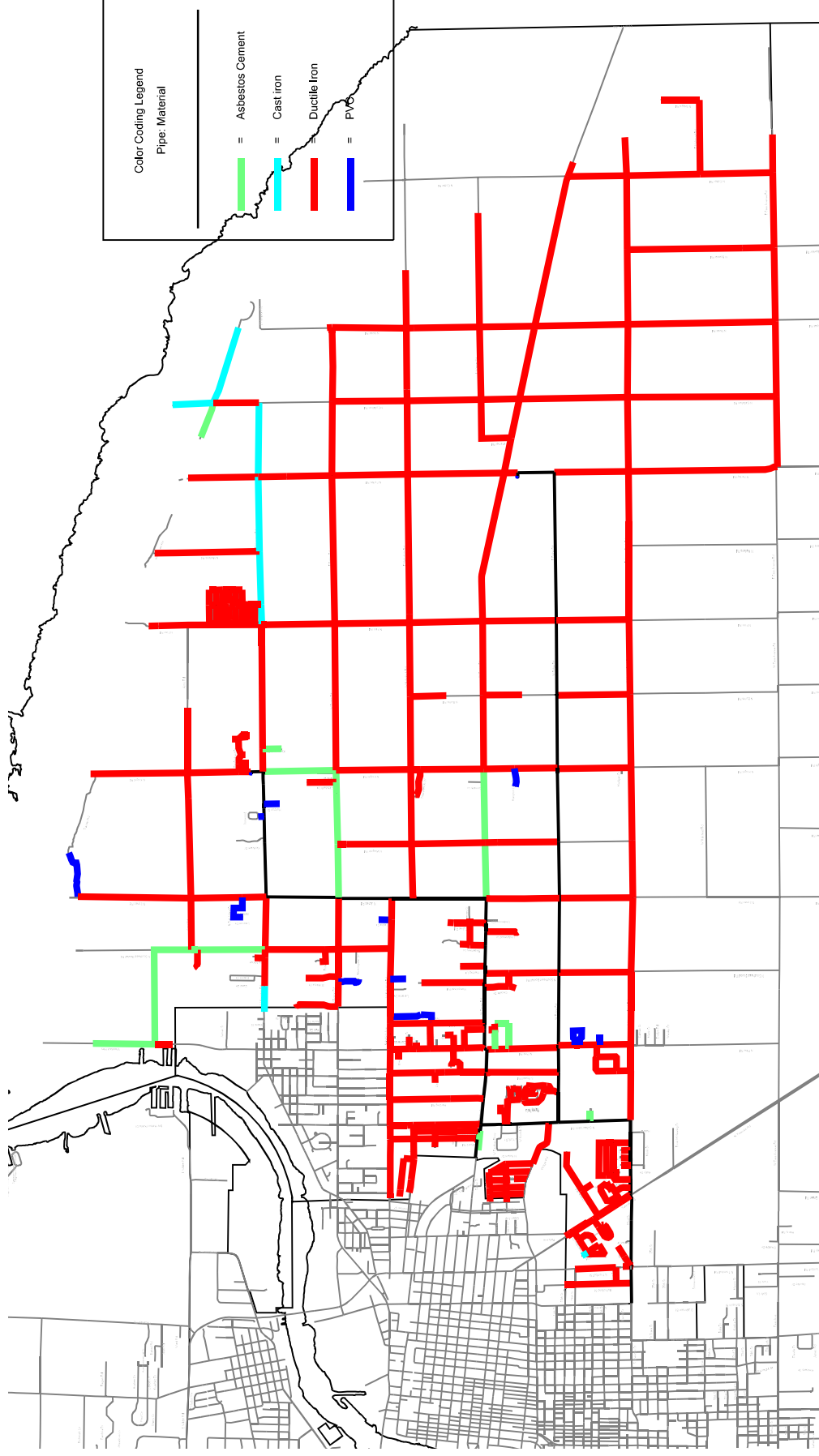


FIGURE 1