

VILLAGE OF MATTAWAN

STATUS REPORT REGARDING THE VILLAGE'S CONSIDERATION OF SEWER SYSTEM ISSUES AND THE POSSIBLE CONSTRUCTION OF A WASTEWATER TREATMENT PLANT

January 12, 2021

The Village of Mattawan installed a sewer system in 1999. The system connects to the City of Kalamazoo treatment facility through a force main that is approximately 6.5 miles long. The Village continually monitors the system and the connection to Kalamazoo. After careful study over a period of at least two years, the Village has determined that action is needed in order to allow the Village to continue to operate its sewer system in a safe manner. This determination is based primarily on the fact that the force main to Kalamazoo is aging and falling into disrepair. The Village is in the process of evaluating all possible alternatives in order to allow the Village to continue to operate its sewer system and provide the benefit of the system to Village residents.

The Village has evaluated possible repair or replacement of the existing force main. That option does not appear to be viable at this time because of cost and accessibility issues.¹ Simply put, based on the information that the Village has received, it appears that it will cost significantly more to repair or replace the force main and maintain the line than it will to build and operate a treatment plant.

Having determined that information shows that repair or replacement is not viable, the Village is evaluating the possibility of building its own treatment facility. The Village understands that, generally, there are two fundamental steps in the process of trying to

¹ The Village received in 2018 a Feasibility Study that provided an estimate of the cost of repairing the force main to Kalamazoo as part of a projection of cost for the existing system over the next 20 years. The Study estimated that the cost of repairing the force main and operating the system over 20 years would be \$23.4 million, and the cost of building a treatment facility and operating it over a 20 year period would be \$20.4.

build a treatment facility. The **first** step is to secure financing. The Village hopes to do that one or more programs administered by the USDA. The most likely method of financing is through bonds issued by the USDA, backed by the full faith and credit of the Village. That step requires the Village to do a number of things to satisfy the USDA that the Village qualifies for financing. The **second** step involves obtaining a permit for construction of the treatment facility from EGLE. Construction of any such facility in Michigan follows the requirements of Part 41, Sewerage Systems, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. The Village has not applied for a construction permit from EGLE.

The Village has taken steps to request RD financing for a specific project that anticipates discharge into Hayden Creek. The project has not been approved by RD or evaluated by EGLE. It simply appears right now that this is the best option available to the Village. The Village has considered many other options and will continue to consider alternatives. No decision has been made about a discharge point.²

This is a general overview of what the Village has done in order to respond to the problems with its sewer system and the force main running to the City of Kalamazoo:

1. The Village obtained a Feasibility Study addressing many relevant issues, including the cost of repairing or replacing the force main and the cost of building its own treatment facility.

² Reference to Hayden Creek has caused significant public interest and comment. There seems to be a belief among many that construction is imminent and that immediate action is needed to block the project. The Village is not prepared to start construction. As noted in this Report, the Village does not have financing for the project and has not even requested a permit. In addition, the Village is open to all options. The Village has always sought to resolve the problem with its sewer system in a way that best addressed the relevant issues, such as, in part: the needs of the public, environmental concerns, cost, future maintenance of the system, and all other factors identified by EGLE in its Part 41 evaluation and permit process.

2. The Village determined that repair or replacement was not viable.
3. The Village evaluated possible locations within the Village for the construction of a treatment facility and picked what it believes is the best possible location for the facility.
4. The Village obtained a SAW grant from EGLE in order to prepare preliminary design plans.
5. Preliminary plans were prepared.³
6. The Village communicated with RD regarding its desire to obtain funding for the project, setting in motion various actions.⁴
7. RD then conducted an Environmental Assessment (EA) of the proposed project.

³ These plans have not yet been submitted to USDA because the Village is waiting for finalization of the discharge location and approval of the environmental assessment.

⁴ There are practical and common-sense reasons why the Village followed this approach. This procedure is what RD expects and requires. The Village is following the application requirements of the agency. In addition, RD cannot evaluate the idea of building a treatment facility without considering a specific proposal. This lets RD evaluate something specific and concrete and allows it to consider viability and alternatives. The Village did not randomly select the Hayden Creek discharge point to include in its proposal to RD. The selection of potential discharge locations was reviewed with EGLE through request of "Expected Limits of Operations" (ELO) of several different alternative outfall locations. Several locations in within the Village limits were reviewed and deemed infeasible to discharge due to unachievable limits. Hayden Creek was reviewed and preliminarily selected based on location and achievable discharge limits. In addition to Hayden Creek, several other outfall location ELO's have been requested, and are awaiting response from EGLE. Since the Village is still investigating and open to all appropriate options for discharge, it is premature to call Hayden Creek the only spot that the Village is considering for this purpose.

8. RD considers this type of report to be preliminary in nature, and subject to revision based on comments and new information.
9. The EA was completed and published on October 20, 2020.
10. The EA was posted on the Village website, along with a list of “Frequently Asked Questions” and answers that the RD prepared and provided to the Village.
11. A fourteen-day window for comment on the EA was set by RD.
12. RD received comments.
13. The comments to the EA caused RD to instruct the Village to do additional environmental assessment work.
14. RD instructed the Village to find a “biological consultant to do a field survey.”
15. RD continued to evaluate comments and provided the Village with specific instructions for the field survey.
16. The Village is in the process of engaging an expert/consultant to perform the study that RD ordered.ⁱ
17. The question of hiring consultant was on the Village Council Agenda on January 11, 2021.
18. Based on normal Village Council procedures, the Council referred the question of hiring a consultant to its DPW committee for a recommendation.

The Village anticipates that the following actions will occur from this point forward:

1. The Village will retain an expert in order to conduct the environmental study that RD requires.
2. It is impossible to say how long the study will take. It could be as long as a year. It is impossible to know whether RD will have follow-up questions to the study. RD considers the present EA to be in draft form. Once follow-up work is completed, RD will evaluate the situation and respond. Additional studies may be required, depending on the information contained in the report and any further questions from RD.
3. The Village will continue to receive comments on the situation through mail or email (www.mattawanmi.com) or during public comment portions of public meetings.
4. All comments will be reviewed and considered by the Council.
5. The Village will continue to investigate and evaluate all options available to the Village in order to allow the Village to continue to operate its sewer system.
6. If the Village reaches a point where RD agrees to fund a specific project through the issuance of bonds, the Village will take the next step in the process by submitting to EGLE an application for a Part 41 construction permit.
 - a. As part of this process, the Village will answer EGLE questions and address EGLE concerns regarding the project.
 - b. Along with the Part 41 construction permit, the Village will also need to obtain a NPDES permit through EGLE, allowing the discharge to any outlet.
 - c. In requesting a NPDES permit, the Village will need to show "anti-degradation" of the selected outlet.

- d. Any permit will have specific limits set for discharge.
 - e. This permit will also require a public comment period.
7. If the Village reaches a point where:
- a. It has determined what project is appropriate to address Village needs;
 - b. RD is willing to fund the project either by issuing bonds or in some other way;
 - c. EGLE issues all required permits for the project,
 - d. Then the Village move forward.

¹ On the evening of January 11, 2021, certain questions were raised during the Village Council Meeting that can be answered as follows:

1. The Village was criticized for putting “false” information on its website. The Village did not do this. The information in question came from the USDA RD. The Village did not create the information. In addition, the Village has received no proof that the information is false. The Village encourages all comments regarding the situation. However, comments based on science and fact will be most helpful to the Village. Conclusory allegations don’t help the Village analyze information it receives in writing from governmental agency representatives.
2. A question arose regarding receiving multiple bids for expert services who will conduct the EA follow up. The work consists of professional services that does not require multiple bids.
3. The Village has now received copies of all comments provided to RD.