



GRETCHEN WHITMER
GOVERNOR

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



PHILLIP D. ROOS
DIRECTOR

May 1, 2024

TO: All Interested Citizens, Organizations, and Government Agencies

SUBJECT: FINDING OF NO SIGNIFICANT IMPACT
Charter Township of Oscoda, Iosco County
Water Main Replacement, Looping and Hydrant Improvements
Drinking Water State Revolving Fund Project Number 7641-01

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 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 David J. Worthington, the project manager, at 517-554-1835; WorthingtonD@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
Charter Township of Oscoda, Iosco County
May 2024

PROJECT IDENTIFICATION

Applicant: Charter Township of Oscoda, Iosco County

Address: 110 South State Street
Oscoda, Michigan 48750

Authorized Representative: Ms. Tammy Kline, Township Superintendent

Project No.: 7641-01

PROJECT OVERVIEW

Oscoda Township (Oscoda) is in Iosco County (Figure 1) on the shore of Lake Huron. Oscoda is approximately 131 square miles and home to a now closed United States Air Force Base, Wurtsmith Air Force Base (WAFB). The land use within the city consists of residential, commercial/residential, and woodlands.

According to the United States Census Bureau's survey, Oscoda's population was approximately 7,132 persons in 2020. There has been a slight increase in population observed in recent years after the decline from closure of the WAFB, and it is assumed this small increase in population will continue for the purposes of this project proposal.

Oscoda is seeking DWSRF loan assistance to finance improvements that include water main replacement and abandonment or upgrades to fire hydrants (hydrants) that are at risk of cross contaminating the distribution system with ground water that is contaminated with per - and polyfluoroalkyl substances (PFAS). The total project cost is estimated to be \$6,915,000. Oscoda has been determined by Department of Environment, Great Lakes, and Energy (EGLE) criteria to be a financially overburdened community and therefore are eligible to receive an American Rescue Plan (ARP) grant of \$1,784,200. In addition, the DWSRF was able to offer Oscoda a loan for up to \$5,130,800 which includes loan principal forgiveness in the amount of \$1,673,300 with funds made available by the Bipartisan Infrastructure Law (BIL), for projects addressing emerging contaminants. System users would see a water rate increase for a project at this cost of approximately \$4.73 per month from the existing average usage rate of \$20.00 per month. However, this total may be reduced because of the ARP grants and principal loan forgiveness Oscoda qualifies for.

Existing Facilities

Oscoda is a member of the Huron Shore Regional Utility Authority (HSRUA), which is a joint venture between the city of East Tawas, city of Tawas City, Oscoda, Charter Township of Au Sable, Township of Alabaster, Township of Baldwin, and Township of Greenbush. The HSRUA was established to acquire, own, improve, enlarge, extend, and operate a regional water supply and distribution system. Oscoda receives its treated water from the HSRUA. The HSRUA maintains and operates all storage facilities, pump stations, transmission lines, the

water intake which is located one mile offshore in Lake Huron in approximately 40 feet of water, and a treatment facility. Each community that makes up the HSRUA owns the residential and commercial distribution system within its boundaries that conveys the HSRUA treated water.

Oscoda is responsible for the operation and maintenance of approximately 463,748 linear feet (lft) of water mains. The water mains were installed between the 1950's until 2010, with approximately 144,785 lft being of unknown age. The water mains range in size from 4-inches to 12-inches in diameter. Approximately 74 percent of the installed water main pipe material is asbestos cement (AC), followed by ductile iron (DI) at 24 percent, polyvinyl chloride (PVC) pipe at 2 percent, and cast iron less than 1 percent.

PROPOSED PROJECT

A. Project Need

The PFAS contamination in Oscoda is a result of fire-fighting training activities and the large quantities of PFAS-related products that were used on the former WAFB which was in active service from the mid-1920's until 1993. In 2016, the District Health Department No.2 (DHD2), which covers Iosco, Ogemaw, Alcona, and Oscoda counties, notified residents surrounding the WAFB, there were high levels of PFAS detected causing concern for private drinking water wells. To help monitor the spread of the PFAS contamination plume and concentrations within the groundwater, several monitoring sites were placed throughout the area of contamination by the Michigan Department of Health and Human Services in conjunction with the United States Air Force and EGLE. The data collected caused a health advisory to be issued in February 2016 by DHD2 advising the impacted residents, as a precautionary measure, not to consume the water in their potable water wells. The monitoring sites have helped determine which areas are most impacted by PFAS contamination and helped establish a water main extension priority list to the affected areas.

Based on sanitary survey results Oscoda indicated that the system has numerous aging hydrants with unplugged weep holes. The hydrants are located in an area determined to be contaminated with PFAS. Hydrants with weep holes could allow a pathway for PFAS to enter the distribution system. This poses a health risk to the water system and all hydrants with unplugged weep holes must either be removed from the system or plugged. Oscoda's system is aging and in need of water main, valve, and hydrant replacements. There is also a need to complete loops as noted by the recent HSRUA reliability study.

B. Project Alternatives

The following alternatives were evaluated for the project.

No-action Alternative

Selecting a no-action alternative has the advantage of requiring no immediate capital investment. However, the disadvantage of no-action is that maintenance becomes more costly and inevitably failures of infrastructure will begin to occur with dire consequences to water quality. No action on the PFAS cross contamination from groundwater to the water supply might become a public health threat possibly subject to enforcement action against Oscoda. As a result, this alternative is rejected.

Regional Alternative

Oscoda is already part of the HSRUA regional system. The issues in the system would need to be addressed no matter which system they were connected to. This alternative was not considered further.

Analysis of Principal Alternatives

Two principal alternatives were evaluated as described below.

Alternative No. 1 – Replace WM Using PVC and High-density polyethylene (HDPE) Pipe Materials/Address PFAS in Hydrants

This option includes replacement of undersized water mains and closure of looped systems with PVC or HDPE pipelines. It also includes fire hydrant replacement, repair, and removal of existing hydrants with weep holes on the old WAFB that pose a concern of cross contamination.

Alternative No. 2 – Replace WM Using DI Pipe Materials

This alternative includes replacement of undersized water mains and closure of looped systems with DI pipelines. It also includes fire hydrant replacement, repair, and removal or of existing hydrants with weep holes on the old WAFB that pose a concern of cross contamination.

Table 1 compares the present worth of Alternatives 1 & 2.

Table 1
Present Worth Comparison – Alternatives 1 and 2

Component	Alternative 1	Alternative 2
Initial Capital Cost	\$6,913,000	\$8,188,000
Annual O&M Cost	\$68,300	\$68,300
Salvage Value	\$1,357,600	\$1,662,000
Present Worth of O&M	\$1,478,376	\$1,478,376
Present Worth of Salvage Value	\$696,422	\$852,573
Total Present Worth	\$7,694,954	\$8,813,803

C. Selected Alternative

The selected alternative is Alternative 1. Oscoda plans to replace existing water main with 6,200 lft of 12-inch diameter pipe, 1,400 lft of 10-inch diameter pipe, and 6,350 lft of 8-inch diameter pipe. In addition, approximately 40 hydrants will be removed, 155 repaired, and 65 replaced to eliminate a path for potential PFAS cross contamination. This alternative was

selected due to its overall cost-effectiveness over the 30-year term analyzed. Figure 2 shows the locations of the proposed improvements.

Total project cost is estimated to be \$6,915,000. Oscoda has been determined by EGLE to be a financially overburdened community and will therefore be receiving an estimated American Rescue Plan (ARP) grant not to exceed \$1,784,200. The DWSRF was able to offer Oscoda a loan for up to \$5,130,800 which includes loan principal forgiveness in the amount of \$1,673,300 with funds made available by the Bipartisan Infrastructure Law (BIL), for projects addressing emerging contaminants. Construction is scheduled to begin in fall 2024. The average residential user would see a water rate increase for a project at this cost of approximately \$4.73 per month from the existing average usage rate of \$20.00 per month. However, this total may be reduced because of the ARP grants and principal loan forgiveness Oscoda qualifies for.

ENVIRONMENTAL IMPACTS

A. Water Quality Impacts

Oscoda is experiencing PFAS groundwater contamination making it unsuitable for human consumption. The PFAS contamination is also affecting nearby water bodies, Van Etten Creek and Van Etten Lake. The source of the contamination has been confirmed as the WAFB located in the township.

All the proposed project locations are located within the vicinity of Lake Huron, Van Etten Lake, or the Au Sable River. This is mainly due to their proximity to WAFB and the migration path of the PFAS plume. No construction related to this project is expected to impact the waterbodies.

There are no anticipated impacts to wetland or floodplains. However, a joint EGLE/Army Corps of Engineers permit application is required.

B. Construction Impacts

The construction of the proposed projects will result in the typical short-term construction impacts such as noise, dust, and increased vehicle traffic to the proposed project sites, as well as temporary road and driveway closures. Guidelines will be established for cover vegetation removal, dust reduction, traffic control, and accident prevention. Once construction is completed, the area will be returned to as close to the pre-construction condition as possible.

Most of the ground disturbing activities proposed will be in existing roadways, utility easements, or the road right-of-way and will have no additional impact on the land. The new water main will be HDPE pipe for bored water main installations or PVC pipe for open cut installation.

Most of the existing water main material located in Oscoda is AC and is not expected to be encountered during construction. Should AC water main be encountered during the project, the contractor will be required to comply with all applicable Occupational Health and Safety Administration guidelines to complete the water main extension work.

C. Endangered Species

The United States Fish and Wildlife Service's (USFWS) Information for Planning and Consultation (IPaC) website was consulted for any federally threatened and/or endangered species located within the project area. The IPaC and USFWS response letter identified six species, the Northern long eared bat, Tri-colored Bat, Rufa red knot, Eastern massasauga rattlesnake, Monarch Butterfly, and the Pitcher's thistle. The USFWS agrees that the project will either have "no effect" or will be "not likely to affect" these species. To ensure this is the case,

Oscoda intends to implement best management practices for the rattlesnake's survival as well as limit any tree clearing activities from October to April to protect the bats.

Both the Bald eagle and Golden eagle are known to exist in the Oscoda area. Neither is a Bird of Conservation Concern but could be sensitive to development occurring during their breeding seasons. Of the two, the Bald eagle is far more likely to be encountered. Because work will be outside of sensitive habitats, neither the eagles nor several USFWS species of migratory birds of conservation concern are expected to be vulnerable to "incidental take" because of the project as currently planned.

The Michigan Natural Features Inventory (MNFI) was consulted to determine if any state recognized or endangered species could be affected by the proposed project. The MNFI response letter indicated several legally protected and/or rare natural features have been documented within 1.5 miles of the proposed project area, and that it is possible negative impacts could occur. The threatened and endangered species include the Northern long-eared bat, Little brown bat, Wood turtle, Kirtland's warbler, Eastern massasauga rattlesnake, and Pitcher's thistle. The species of special concern include the Mudpuppy, Blanding's turtle, and Grasshopper sparrow. The project is expected to impact previously disturbed areas, existing roadways, and residential lawns with no work in sensitive habitats such as wetlands, bodies of water, or sand dunes. Brush clearing will be limited and tree clearing, if any, will be outside of bat hibernation periods. Therefore, no adverse impacts are expected to state threatened, endangered or species of special concern because of the project.

Should any federally or state threatened, endangered or species of special concern be found during the construction of the project the appropriate agencies will be contacted for guidance on how to mitigate any potential adverse impacts to the identified species.

D. Historical Preservation

Both the Michigan State Historic Preservation Office (SHPO) and eight federally recognized tribal nations have been contacted regarding any historical or cultural impact that might be related to this project. The SHPO has responded that no historical properties appear to be affected within the area of potential effects for this undertaking.

However, a Phase I archaeological survey must be conducted for three areas identified in the archaeological assessment, Aaron Drive from Cedar Lake Drive to Cedar Lake Road, Woodlea Road to Woodlea Road west, and Budziak Drive. An archaeological report must be submitted to the SHPO for review and comment following the completion of the survey and prior to project-related activities in the surveyed areas. Any archaeological resources identified during the survey must be evaluated for eligibility to listing on the National Register of Historic Places (NRHP). The survey and resulting report must be completed by a professional archaeologist meeting the Secretary of the Interior's Professional Qualifications Standards. Oscoda has agreed to all these conditions.

No tribal responses were received by the time this Environmental Assessment was published. Should either historical or cultural artifacts be encountered during the project construction, work will cease immediately and the SHPO and tribes will be contacted.

MITIGATION

The proposed project is not anticipated to cause changes to the quality of nearby surface or groundwater. A minor impact on local traffic may occur for residents and businesses during the construction of the proposed improvements. During construction, equipment will increase local noise and dust levels during operations. There will be a short-term adverse impact on air quality

during the construction phase due to dust and construction equipment emissions generated during the minimal excavation operations. Work will be contained within small areas and contractors will perform the bulk of the work on one site at a time, minimizing disturbance to residents. Technical specifications will be followed concerning noise, dust control, cleaning, and debris removal, along with local township ordinances being followed.

The main impact will be financial to pay for the loan debt service. There will be no dislocation of people during the construction. Minimal impact to residents is anticipated as the work will take place on existing township owned property or within the road right-of-way. Employment of some residents by the contractor(s) is a possibility for certain construction operations.

No indirect impact on development, land use, cultural, human, or ecological resources is anticipated.

PUBLIC PARTICIPATION

A formal public meeting on project alternatives and user costs was held on May 22, 2023, at 6:30 pm at Shoreline Players. The public meeting was advertised on Oscoda's web site on May 8, 2023, and in the *Oscoda Press* newspaper. A copy of the draft Project Plan was made available to the public at the town hall. No written comments from the public were received before, during, or after the public meeting. Questions and comments received during the meeting were addressed. After the close of the public comment period, the recommended alternative was selected for implementation by the Oscoda Township Board.

REASONS FOR CONCLUDING NO SIGNIFICANT IMPACTS

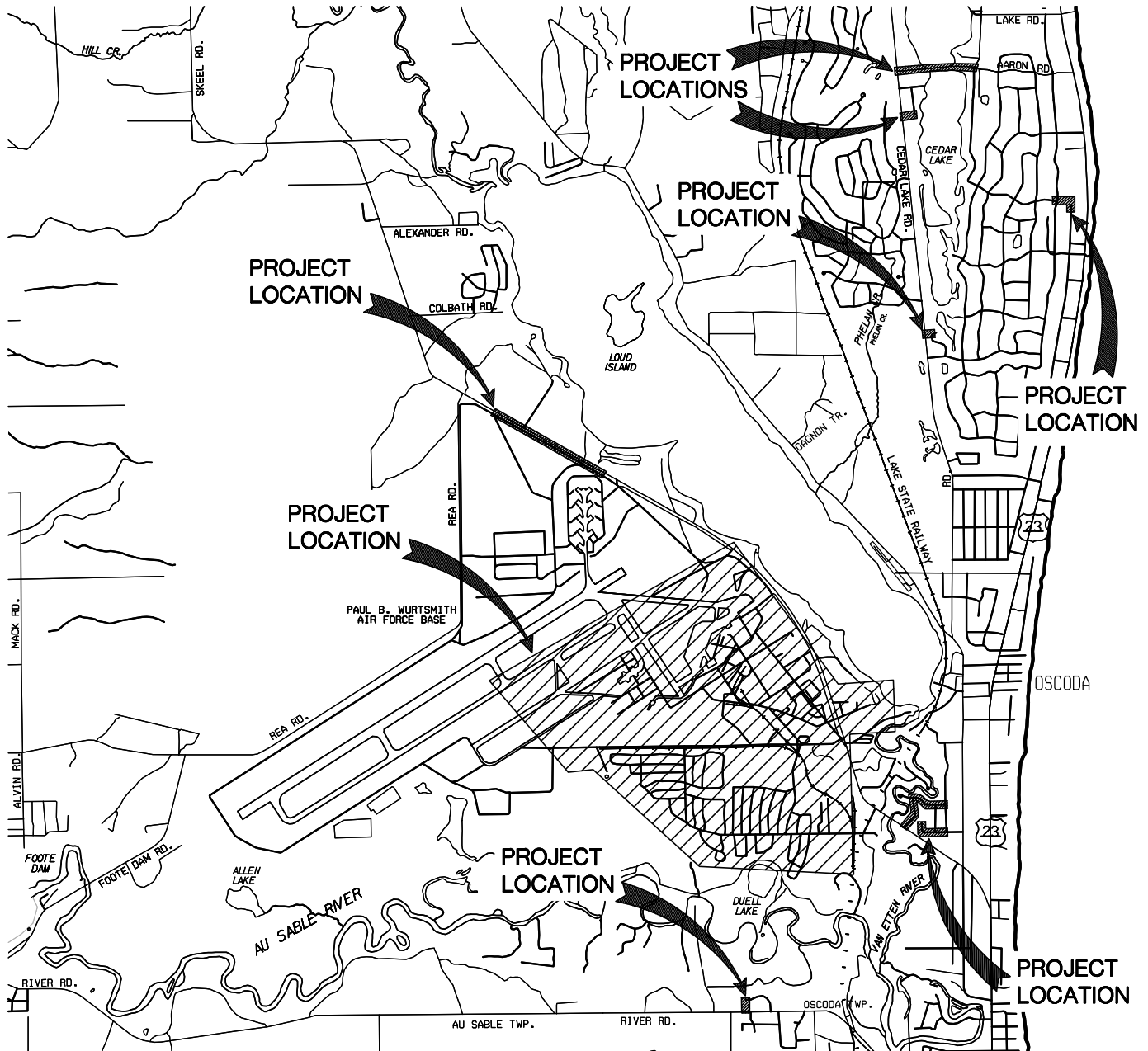
The proposed project has minimal temporary negative environmental impacts but offers substantial benefits of providing safe, reliable drinking water from replacement of undersized main, looping of dead ends, and elimination of cross contamination in hydrants. These improvements will protect public health.

Questions regarding this Environmental Assessment should be directed to:

Mr. David J. Worthington, 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: 517-554-1835
E-Mail: WorthingtonD@Michigan.gov

OSCODA CHARTER TOWNSHIP DRINKING WATER STATE REVOLVING FUND

T24N – R9E, SECTIONS 3, 10, 15, 17, 18, 19, 20,
21, 22, 27, 28, 29, 30, 33, 34
T23N – R9E, SECTIONS 3 AND 4
IOSCO COUNTY, MICHIGAN



LOCATION MAP



FIGURE 1

ROWE PROFESSIONAL SERVICES COMPANY
 The Rowe Building
 540 S. Saginaw St., Suite 200
 Flint, MI 48502
 O: (810) 341-7500
 F: (810) 341-7573
 www.rowepsc.com

PREPARED FOR:
OSCODA CHARTER TOWNSHIP
 DRINKING WATER STATE REVOLVING FUND
 LOCATION MAP

PLAN NO.	18C0068
DATE:	JUNE 2023
PROJECT MGR:	DER
REVIEWER:	DER
SCALE:	NONE SHEET NO: 1



PREPARED FOR: OSCODA CHARTER TOWNSHIP DRINKING WATER STATE REVOLVING FUND LOCATION MAP	DATE: JUNE 2023
	PROJECT MGR: DER
REVIEWER: DER	SCALE: N.T.S.
The Rowe Building 540 S. Saginaw St., Suite 200 Flint, MI 48922	O: (810) 341-7500 F: (810) 341-7573 www.rowepsc.com

SHT# 1 OF 1
 JOB No: 18C0068

PLOTTED: 5/17/2023 10:32 AM R: \Projects\18C0068\Drawg\Miscellaneous\Location Map 1 DWT.dwg

FIGURE 2