

September 21, 2021

Limited Environmental Review and Finding of No Significant Impact

Scioto Water, Inc. - Scioto County Franklin Furnace Area Transmission East End Loan number: FS391407-0021

The attached Limited Environmental Review (LER) is for a water distribution project in Franklin Furnace which the Ohio Environmental Protection Agency intends to finance through its Water Supply Revolving Loan Account (WSRLA) below-market interest rate revolving loan program. The LER describes the project, its costs, and expected environmental benefits. Making available this LER fulfills Ohio EPA's environmental review and public notice requirements for this loan program.

Ohio EPA analyzes environmental effects of proposed projects as part of its WSRLA program review and approval process. We have concluded that the proposed project should not result in significant adverse environmental impacts. This project's relatively narrow scope and lack of environmental impacts qualifies it for the LER rather than a more comprehensive Environmental Assessment. More information can be obtained by calling or writing the person named at the end of the attached LER.

Upon issuance of this Finding of No Significant Impact (FNSI) determination, award of funds may proceed without further environmental review or public comment unless new information shows that environmental conditions of the proposed project have changed significantly.

Sincerely,

Jonathan Bernstein

Jonathan Bernstein, Assistant Chief Division of Environmental and Financial Assistance

Attachment

LIMITED ENVIRONMENTAL REVIEW

Project Identification

Project: Franklin Furnace Area Transmission East End

Scioto Water, Inc. Applicant:

4707 Gallia Pike

Franklin Furnace, OH 45629

Loan Number: FS391407-0021



Figure 1. Scioto County

Project Summary

Scioto Water, Inc. (SWI), in Scioto County (Figure 1), has requested funding from the Ohio Water Supply Revolving Loan Account (WSRLA) to finance the Franklin Furnace Area Transmission East End project. This project is intended to loop a critical portion of SWI's service area to improve system reliability and public safety.

History & Existing Conditions

SWI is a non-profit corporation that provides water service to customers in Scioto, Pike, Jackson, Adams, and Lawrence counties. SWI's service area is comprised of three regions: the Rose Hill System, the West System, and the East System (Figure 2). This project consists of improvements that only affect the East System.

The East System serves rural residents of southeastern portions of Scioto County extending north and east from the Ohio River near Wheelersburg into a large portion of western Lawrence County, including most of Green Township in Scioto County. Water is supplied to the East System by SWI's Franklin Furnace Treatment Facility, which treats groundwater from nearby wells located adjacent to the Ohio River.

A portion of the service area in Franklin Furnace is supplied water through a main pressure-reducing valve (MPRV) station on the east side of the Norfolk Southern Railroad and U.S. 52. This MPRV station serves over 700 customers (roughly 8% of all SWI's customers and 30% of the East End System) and is dependent upon 500 feet of 8-inch water main buried below the railroad and U.S. 52.

Failure of this segment of water main would leave these customers without water service, as there is no separate water storage located downstream of the MPRV station. Additionally, repair of any breaks in this segment would require extensive time due to its location beneath the railroad and U.S. 52, extending the time which customers would be without service.

A resolution to provide redundant water supply to this service area is needed to ensure reliability and safety in the event of a disruption to service.

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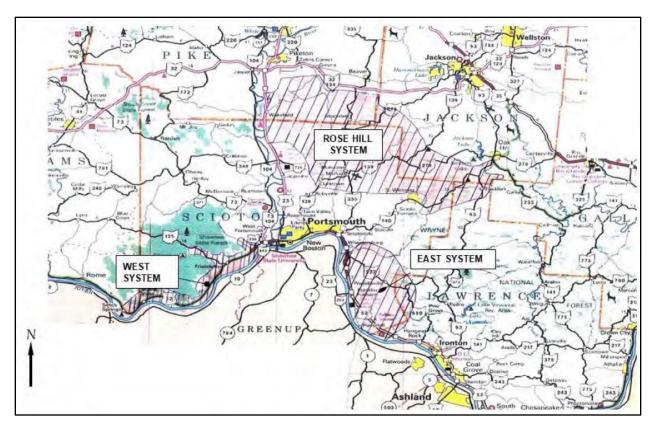


Figure 2. SWI's service area

Project Description

Three alternatives were considered for this project and include installation of a second water main crossing the highway and railroad parallel to the existing main, installation of water storage downstream of the MPRV station, and installation of a new water main that loops the system from the Franklin Furnace Treatment Facility to the existing 8-inch water main.

Installation of a parallel water main would reduce vulnerability of the transmission of water to the service area, but jacking and boring required would be costly and it would still maintain a dependency on water mains below the railroad and highway. The addition of water storage would allow for up to one day of water supply. This would not allow sufficient time to correct a major service disruption to the water main below the railroad and highway. The alternative chosen is to install a new water main that loops the system. Looping of the system will reduce vulnerability while also having the additional benefits of providing looping of smaller water mains in Franklin Furnace, providing fire flows to previously unsupported areas, providing more reliable pressures to the service area, and adding redundancy through the installation of an additional MPRV station.

This project consists of the installation of approximately 5,250 linear feet (lf) of 10-inch water main from the Franklin Furnace Treatment Facility to a point near the future location of the new Green Township School, to the south of Napoleon Lane (Figure 3). The school will be connected to the existing 8-inch and the new 10-inch water main, completing the system loop. This project also includes installation of roughly 575 lf of 6-inch and 50 lf of 4-inch water mains, a MPRV station on SWI property, and associated hydrants, valves, and fittings.

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Standard construction best management practices will minimize traffic, noise, and dust disruptions. Restoration is included and will restore pavement, concrete, and grass surfaces to preconstruction conditions.

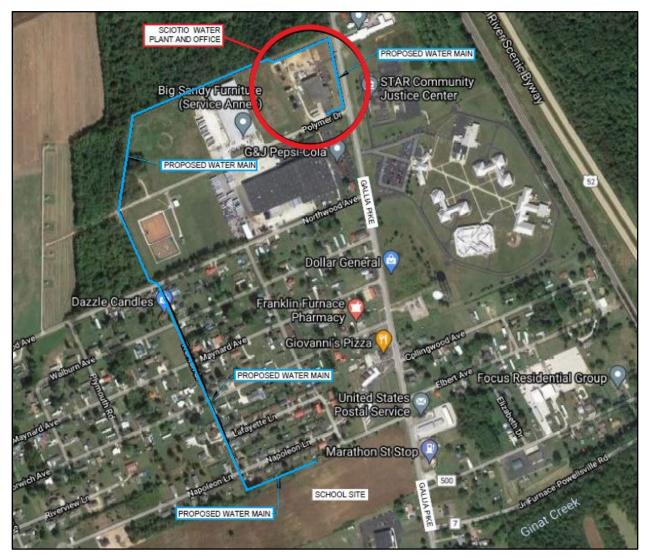


Figure 3. Proposed water main route (blue) and SWI water treatment plant and office (red)

Implementation

SWI proposes to borrow roughly \$700,000 from the Ohio WSRLA to fund this project. SWI qualifies for the standard below-market interest rate of 0.57% (WSRLA loan interest rates are set monthly and may change for the requested loan award date). Assuming a 30-year loan, borrowing the estimated amount using WSRLA dollars could save SWI approximately \$155,000 over the life of the loan compared to the current market rate of 1.87%.

The debt associated with this construction project will be recovered from user charges. The annual residential water bill is \$800. This is 2% of the median household income (MHI; Scioto County \$39,731) and higher than the Ohio average water bill of \$639.

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SWI is a non-profit water association and makes rate adjustments as necessary to produce sufficient revenue to cover increases in costs. SWI reviews budget costs each year and may adjust rates to cover expense changes based on future projects; however, user rates are not anticipated to increase because of this project.

Public Participation

SWI holds scheduled meetings each month in Franklin Furnace that are open to the public.

Ohio EPA is unaware of controversy about or opposition to this project. Ohio EPA will make a copy of this document available to the public on its web page (https://epa.ohio.gov/defa/ofa under the "What's New" tab in the "WSRLA Documents Available for Review and Comment" list) and will provide it upon request.

Conclusion

The proposed project meets the project type criteria for a Limited Environmental Review (LER); namely, it is an action within an existing water distribution system, which involves the looping of an existing water main route. Furthermore, the project meets the other qualifying criteria for an LER; specifically, the proposed project:

Will have no significant environmental effect, will have no effect on high-value environmental resources, and will require no specific impact mitigation. Water main installation will take place along a maintained utility right-of-way, adjacent to and within paved roads, and within lawns. No tree removal is required. Standard construction management practices will minimize noise, dust, erosion, and traffic disruptions.

Portions of the proposed water main route are within areas of potential habitat and breeding ground for the eastern spadefoot toad (Scaphiopus holbrookii), a state endangered species. This species is found in areas of sandy soil that are associated with river valleys. Breeding habitats may include flooded agriculture fields or other water holding depressions. An approved herpetologist will be onsite to monitor water main trenching in the areas of concern to prevent the potential of impacting the species if found to be present.

Is cost effective. While several alternatives were considered, looping of the system was determined to be the technically and financially preferable alternative since its cost is favorable to the other alternatives and it will reduce system vulnerability while also providing additional benefits of supporting fire flows, improving reliability of system pressure, and adding redundancy through the addition of a second MPRV station.

Is not a controversial action. User rates are not anticipated to increase due to this project.

Does not create a new or relocate an existing discharge to surface or ground waters, does not create a new source of water withdrawals from either surface or ground waters, does not significantly increase the amount of water withdrawn from an existing water source or substantially increase the volume of discharge or loading of pollutants from an existing source or from new facilities to receiving waters, and does not provide capacity to serve a population substantially greater than the existing population. This project will result in the looping of a portion of the service area in the existing distribution system, serving no new customers; thus, there will be no effect on water withdrawal, treatment, discharge, or source.

Scioto Water, Inc. September 2021 Page 4 The planning review of the project identified no potentially significant short-term or long-term adverse impacts on the quality of the human environment or on sensitive resources (surface waters, coastal zones, floodplains, wetlands, state-designated scenic or recreational rivers, prime or unique agricultural lands, aquifer recharge zones, archaeological or historically significant sites, threatened or endangered species, or state and federal wildlife areas).

Contact information

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