



GRETCHEN WHITMER  
GOVERNOR

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



PHILLIP D. ROOS  
DIRECTOR

April 17, 2024

TO: All Interested Citizens, Organizations, and Government Agencies

SUBJECT: **DRINKING WATER STATE REVOLVING FUND (DWSRF)  
CATEGORICAL EXCLUSION  
City of Newaygo  
DWSRF Project Number 7667-01**

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 Part 54, Safe Drinking Water Assistance, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA). 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**

Section 324.5408(5) of Part 54, Safe Drinking Water Assistance, of NREPA, 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 public water supply project must not be designed to provide service to a population greater than 30 percent of the existing population.*
- (3) The proposed public water supply project must not be known, or 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 "Additional 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 crosscutter 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:

Sara Brown, Project Manager  
Water Infrastructure Funding and Financing Section  
Finance Division  
Michigan Department of Environment, Great Lakes, and Energy  
P.O. Box 30457  
Lansing, Michigan 48909-7957

**EFFECTIVE DATE OF EGLE'S 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 Sara Brown, Project Manager, Water Infrastructure Funding and Financing Section, Finance Division, by phone at 517-231-8916; by email at [BrownS93@Michigan.gov](mailto:BrownS93@Michigan.gov); or you may contact me. Your interest in this process is greatly 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)**  
**City of Newaygo, Newaygo County**  
**Categorical Exclusion**  
**April 2024**

**PROJECT IDENTIFICATION**

**Applicant:** City of Newaygo

**Address:** 28 State Road  
Newaygo, Michigan 49337

**Authorized Representative:** Jon Schneider, City Manager

**Project Number:** 7667-01

**PROJECT SUMMARY**

The city of Newaygo (Newaygo) is located in Newaygo County approximately 35 miles north of the city of Grand Rapids. Newaygo provides potable water to nearly every property within the city. According to the 2022 United States Census, Newaygo's population total was 2,569. The projected population numbers assume a 2 percent annual growth.

Newaygo is applying for a low interest loan from the DWSRF administered by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) to finance capital improvements including water main and lead service line replacement (LSLR) (see Figure 1). The estimated cost of the project is \$2,890,000.

Newaygo has qualified under state criteria as a financially overburdened community and will be eligible to receive an American Rescue Plan (ARP) grant not to exceed \$857,000. The DWSRF is also able to offer Newaygo a \$1,200,000, loan with \$588,000 in principal loan forgiveness with funds made available by the Bipartisan Infrastructure Law (BIL) for LSLR. The city will be responsible for the remaining project costs. Newaygo anticipates a water rate increase of approximately \$3.00 per month for the average residential user.

**EXISTING SYSTEM AND NEED FOR THE PROJECT**

The Newaygo distribution system is supplied by three wells with a maximum day demand of approximately 55 percent of the firm capacity. The system has two treatment plant locations where iron is removed from the water and disinfectant added. The distribution system includes a 250,000-gallon elevated storage tank, a 300,000-gallon ground storage tank, and water main that ranges from 4-inches to 12-inches in diameter.

The existing 6-inch diameter water main, located on West Wood Street (West Wood) is 70 years old. It serves homes, businesses, and a medical center. This section of West Wood includes 2,100 linear feet (lft) of water main and there have been three breaks in the past couple years. Compounded by climatic factors, the aging water main poses public health risks including interrupted water service, significant pressure decreases, and potential sink holes or wash out.

A recently conducted water reliability study entailed a water service line inventory. The city has identified approximately 250 service lines that are suspected to contain lead components. The Michigan Lead and Copper Rule requires that these service lines be replaced.

## **PROPOSED PROJECT**

A total of 1,800 lft of 6-inch diameter water main located on West Wood, is proposed to be replaced with new 8-inch diameter pipe. Water main will likely be replaced with ductile iron or high-density polyethylene pipe. Final material decisions will be determined after the design is completed. Replacement of the existing water main will increase water quality by ensuring the downtown water main loop remains in place and potential future breaks are eliminated. Upgrading to an 8-inch diameter water main also provides a secondary benefit that will improve water pressure problems associated with fire flows.

In progression towards compliance with the Lead and Copper rule, the city has identified approximately 250 lead service lines that require either full or partial replacement with most likely cross-linked polyethylene pipe. Public side replacement will occur from the water main to the curb stop and private side replacement from the curb stop to either the water meter or 18-inches within the house or structure. The Lead and Copper Rule aims to protect public health by minimizing lead and copper levels in drinking water. Replacement of the service lines is a necessary step towards that goal. Additional water conservation benefit may also be gained by replacement of service lines that may be leaking due to corrosion/age. LSLR are planned in segments throughout the city.

## **EXISTING ENVIRONMENT AND POTENTIAL ENVIRONMENTAL IMPACTS**

No known floodplains, wetlands, inland lakes, or streams are present within the proposed project scope. There are no anticipated impacts to groundwater or other state regulated resources.

According to a review by the United States Fish and Wildlife Service survey, several endangered and a single threatened species are found within Newago. No negative impacts are anticipated for the Karner blue butterfly, Monarch butterfly, Northern long-eared bat, or Tri-colored bat. This project will cause no loss of high-quality habitat for the federally threatened Eastern massasauga rattlesnake. Any potential impact will be mitigated by use of wildlife safe materials for erosion control and site restoration. A complete field survey was completed by the Michigan Natural Features Inventory. Several at risk species and/or natural communities have been documented within 1.5 miles of the project location and it is possible that adverse impacts will occur for a few prairie plants and turtle species. Impacts to the endangered Prairie smoke and special concern species, Sloe plum, are not anticipated since work is being performed in the roadway in existing infrastructure space. Special concern species Blanding's turtle, which has also been identified within 1.5 miles of the proposed project, are not protected under endangered species legislation, but efforts should be taken to minimize impacts. Furthermore, the endangered Wood turtle is known to utilize roadways and residential yards and gardens if natural nesting habitat is not available. If a Blanding's turtle or Wood turtle are encountered, they should be relocated off-site.

The State Historic Preservation Office (SHPO) determined that the project will have no adverse effect on historic properties within the project area. If the scope of work changes in any way or if archeological material is encountered during construction activities related to the project, work will be halted and SHPO will be contacted immediately.

Federally identified tribes for Newago County were contacted requesting comment regarding any potential impact to historic, religious, or cultural resources. One response was received to opt out of providing comment. To date, no comments have been received.

Short term construction impacts are expected to be minimal. Soil erosion and sedimentation, as well as dust control, will be properly mitigated by adherence to permit requirements. Temporary traffic detours are anticipated, but access to houses and businesses will be maintained. Instances where temporary impacts to front yards and driveways are anticipated, will be restored to original condition.

## **PUBLIC PARTICIPATION**

The project plan was published by the local newspaper, *Times-Indicator* on April 19, 2023. The project planning document was posted in the city's external bulletin board at city hall and on Newaygo's website. A link to the notice and project planning document was posted on Facebook. A formal public hearing was held on May 8, 2023, to discuss and take comments on the proposed project. The hearing reviewed the West Wood water main and the LSLR project planning document details including alternatives, user costs, scheduling, impacts and mitigation. An inquiry was received regarding notice of eligibility for loan forgiveness prior to final adoption of the loan. The city manager indicated loan forgiveness status would be known prior to any final decision on the loan. No written comments were received by the public and no specific concerns were raised by the public during the meeting. The City Council passed a formal resolution adopting the project planning document and selected alternative following the public hearing on May 8, 2023.

## **RATIONALE FOR CATEGORICAL EXCLUSION**

In accordance with Part 54, Safe Drinking Water Assistance, of the 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. EGLE staff have carefully reviewed the Newaygo LSLR and water main replacement project planning document and have determined no significant adverse impacts are anticipated as a result of project implementation.

Questions regarding this Categorical Exclusion should be directed to:

Sara Brown, 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: 517-231-8916  
Email: [BrownS93@Michigan.gov](mailto:BrownS93@Michigan.gov)

Figure 1

