

**City of Galena**  
**Project Summary and Preliminary Impacts Determination Report**

City of Galena Residents,

The City of Galena is in the process of securing funding for a lead water services replacement project. As detailed in the Project Plan for the City's Water System, there are approximately 300 suspected lead services in the community, and the City is proposing to replace all of them. The City goal of replacing the lead service lines is to reduce the risk of lead exposure in the drinking water.

The estimated cost of the proposed project is \$3,729,455.00. The City is completing a loan application with the Illinois Environmental Protection Agency (IEPA) Public Water Supply Loan Program. Currently, an interest rate of 1.11% for 20 years is being made available to the City. Based upon the above financing plan, the City would finance roughly \$3,729,455.00 for the project, and the annual loan repayment would be roughly \$208,022.

If the City secures financing through the IEPA Public Water Supply Loan Program, there are provisions for incentives for which the City would be eligible, such as principal loan forgiveness, a lower loan interest rate, and longer loan terms. With the Lead Service Lines Project, the City is eligible to receive a 0.83% small community interest rate and lead service line principal loan forgiveness of \$4,000,000 annually. This would reduce the lead service line portion of the loan to \$0.00. Together this would result in a total loan amount for the City of \$0.00.

As part of the loan application process, IEPA has reviewed the financial impact to users and environmental impact as a result of the proposed projects. The IEPA has noted that the projected average annual residential cost of services is .46% of the median household income, and that any amount less than 2% is considered to be affordable under State and Federal loan program criteria. Additionally, IEPA has completed an environmental review process and, based upon the information provided, there are no anticipated impacts to threatened or endangered species, historical or cultural resources, prime agriculture land, wetlands, or other natural areas from the proposed projects.

Prior to granting its approval of the proposed project and plan, the IEPA requires that the public be granted an opportunity to comment on the information presented. The City of Galena is hereby making notice that a public hearing for the Lead Service Line Project will be held on May 9, 2022 at 6:30 p.m. at the Galena City Hall, 101 Green Street in Galena.

Additionally, after the public hearing, a 10-day public comment period will commence on May 10, 2022 and end on May 20, 2022. Information on the proposed project and the IEPA Project Summary and Notice are available for public review on the City's website ([www.cityofgalena.org](http://www.cityofgalena.org)) and at the City Hall located at 101 Green Street, Galena IL 61036, office hours are 8:00AM – 4:30PM Monday thru Friday. During this public comment period, written comments may be provided to Mark Moran at the City of Galena or directly to the IEPA contact person, Jasmine Mallory, Illinois Environmental Protection Agency, Infrastructure Financial Assistance Section, Bureau of Water, 1021 North Grand Avenue East, Springfield IL 62794-9276.

*Mary Beth Hyde*  
Mary Beth Hyde, City Clerk