

June 2, 2025

Limited Environmental Review and Finding of No Significant Impact

**Village of Fayette – Fulton County
Water Distribution System Replacement – Phase 2
Loan number: FS390351-0012**

The attached Limited Environmental Review (LER) is for a water line replacement project in Fayette which the Ohio Environmental Protection Agency (Ohio EPA) intends to finance through its Water Supply Revolving Loan Account (WSRLA) below-market interest rate revolving loan program. The LER describes the project, costs, and expected environmental benefits. Making available this LER fulfills the 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 program review and approval process. We have concluded that the proposed project should not result in significant adverse environmental impacts. In accordance with Ohio Administrative Code 3745-150-05, this project meets the criteria for an LER rather than the more comprehensive Environmental Assessment. More information can be obtained by contacting the person named at the end of the attached LER.

Upon issuance of this Final 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,



Kathleen Courtright, Assistant Chief
Division of Environmental and Financial Assistance

LIMITED ENVIRONMENTAL REVIEW

Project Identification

Project: Water Distribution System Replacement – Phase 2

Applicant: Village of Fayette
102 West Main Street
Fayette, Ohio 43521

Loan Number: FS390351-0012



Figure 1. Fulton County

Project Summary

The Village of Fayette, in Fulton County (Figure 1), has requested approximately \$2.7 million from the Ohio Water Supply Revolving Loan Account (WSRLA) to finance the Water Distribution System Replacement – Phase 2 project. This is the final phase of the village's water distribution system improvements project. Lead service lines (LSLs) will be replaced as they are encountered during water line replacement.

This project is eligible for a portion of the loan as WSRLA principal forgiveness, which will not need to be repaid. Due to the nature and location of construction, as well as proposed protection measures to be implemented, no significant adverse impacts are anticipated, as discussed in the conclusion.

History & Existing Conditions

The Village of Fayette owns and operates their own water distribution and treatment system that serves approximately 1,200 residents. The water treatment plant operates two wells that pump water from the Michindoh Aquifer (sand and gravel aquifer). The distribution system is composed of approximately 50,000 linear feet (LF) of 4-inch through 12-inch water mains, valves, hydrants and associated appurtenances. The system also includes storage; a 200,000-gallon clearwell located at the water treatment plant (WTP) and a 100,000-gallon elevated water storage tower.

The distribution system was constructed in 1932 and is suffering from excessively high water loss and repeated, catastrophic water line breaks. The high rate of failure and inoperable main valves make it difficult to shut down water flow for necessary repairs. This situation created a total system failure on February 17, 2021, resulting in a 13-hour service interruption for customers. Phase 1 included the replacement of a portion of the village's distribution system as well as any LSLs identified within the Phase 1 project area. See Figure 2 for the Phase 1 and Phase 2 project areas.

Project Description

The proposed project includes the construction of 15,500 LF of new water mains within the village to replace the existing aging water lines. Certain lines will be re-sized to reflect current and future needs. Any LSLs from the right-of-way to the property owner's structure will be replaced if encountered during construction. It is estimated that a total of 19 LSLs will need to be replaced. Additionally, four residential homes along East Gamble Road will be tied into the replaced water lines.

Water service will be temporarily shut off during replacement. Surfaces disturbed during construction (e.g. paved roads, driveways, lawn strips and lawns, etc.) will be restored upon completion of service line replacements.

Implementation

The total project cost is \$3,486,375. Fayette requested \$2.7 million from the WSRLA, half of which is eligible for principal forgiveness. Additionally, the village is eligible for a portion of the LSL expenses as principal forgiveness, and the remainder at the 0% disadvantaged/LSL interest rate. With this favorable financing, Fayette will save a significant amount compared to financing the entire loan amount at the market rate of 4.91% for a 30-year loan period.

Fayette is also eligible for \$1 million from the Ohio Public Works Commission (OPWC) and \$750,000 from the Community Development Block Grant (CDBG).

The debt associated with this construction project will be recovered from user charges. Under the current ordinance, the last rate increase was 10% in 2025. The village plans to increase rates by 5% per year hereafter. Fayette reports that the expected average annual residential water bill in 2026 will be \$852.81 (\$71.07 monthly), which is 2% of the median household income for Fayette (MHI; \$41,875) and is greater than the Ohio average annual water bill of \$477.

Construction is expected to begin following loan award and is expected to take 12 months for completion.

Public Participation

The proposed project has been regularly discussed at village council meetings. Additionally, a public presentation about the financing received from the State of Ohio was held and attended by many village residents. Public meetings are being held as needed to inform residents of the project details, schedule, and what to expect during construction.

Fayette will send out a 60-day advance notice to owners of all properties on the project list as initial notice of the program and include information about temporary water shutoffs to prepare for work on private property.

Ohio EPA is unaware of any controversy about or opposition to this project. The Limited Environmental Review (LER) and Finding of No Significant Impact (FNSI) will be posted on the Ohio EPA Division of Environmental and Financial Assistance website. Additionally, the LER and FNSI have been provided to the Village of Fayette to be made available according to their public notification procedures.

Conclusion

The proposed project meets the criteria for an LER; namely, it is an action within an existing public water system (PWS), which involves the functional replacement of and improvements to existing infrastructure. Furthermore, the project meets the other qualifying criteria for an LER; specifically, the proposed project:

Will have no significant environmental effect, will require no specific impact mitigation, and will have no effect on high-value environmental resources. Construction will primarily take place in existing rights-of-way and lawns in developed residential locations that lack important environmental resources. One section of water line will loop from Lawrence Street to East Gamble Road through an existing agricultural field to remove a dead end main.

Standard construction best management practices will minimize noise, dust, erosion, sediment and traffic disruptions. Temporary water service interruptions will be communicated to affected customers.

Is cost effective and is not a controversial action. There is no alternative to the necessary replacement of failing water lines or LSLs. Fayette water customers were notified of the rate increases, and Fayette and Ohio EPA are unaware of any controversy about or opposition 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, or 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 will not provide capacity to serve a population substantially greater than the existing population. Completion of this phase of the project improves existing infrastructure and reduces the threat to public health and will otherwise have no impact on Fayette's PWS (e.g., withdrawal, treatment, storage, distribution, usage, etc.). Only four residential homes will be added to the distribution system and will not have a significant increase in the amount of water withdrawn or discharged.

Based upon Ohio EPA's review of the planning information and the materials presented in this Limited Environmental Review, we have concluded that there will be no significant adverse impacts from the proposed project as it relates to the environmental features discussed previously. This is because these features do not exist in the project area, the features exist but will not be adversely affected, or the impacts will be temporary and mitigated. This proposed project will allow Fayette's water distribution network to remain intact and viable to maintain service to all of Fayette's existing

customers, as well as reduce public health threats by eliminating lead material from drinking water lines.

Contact Information

Holly Rundle
Division of Environmental and Financial Assistance
Ohio Environmental Protection Agency
50 West Town Street, Suite 700
Columbus, Ohio 43215

Email: holly.rundle@epa.ohio.gov
Phone: 614.728.1742

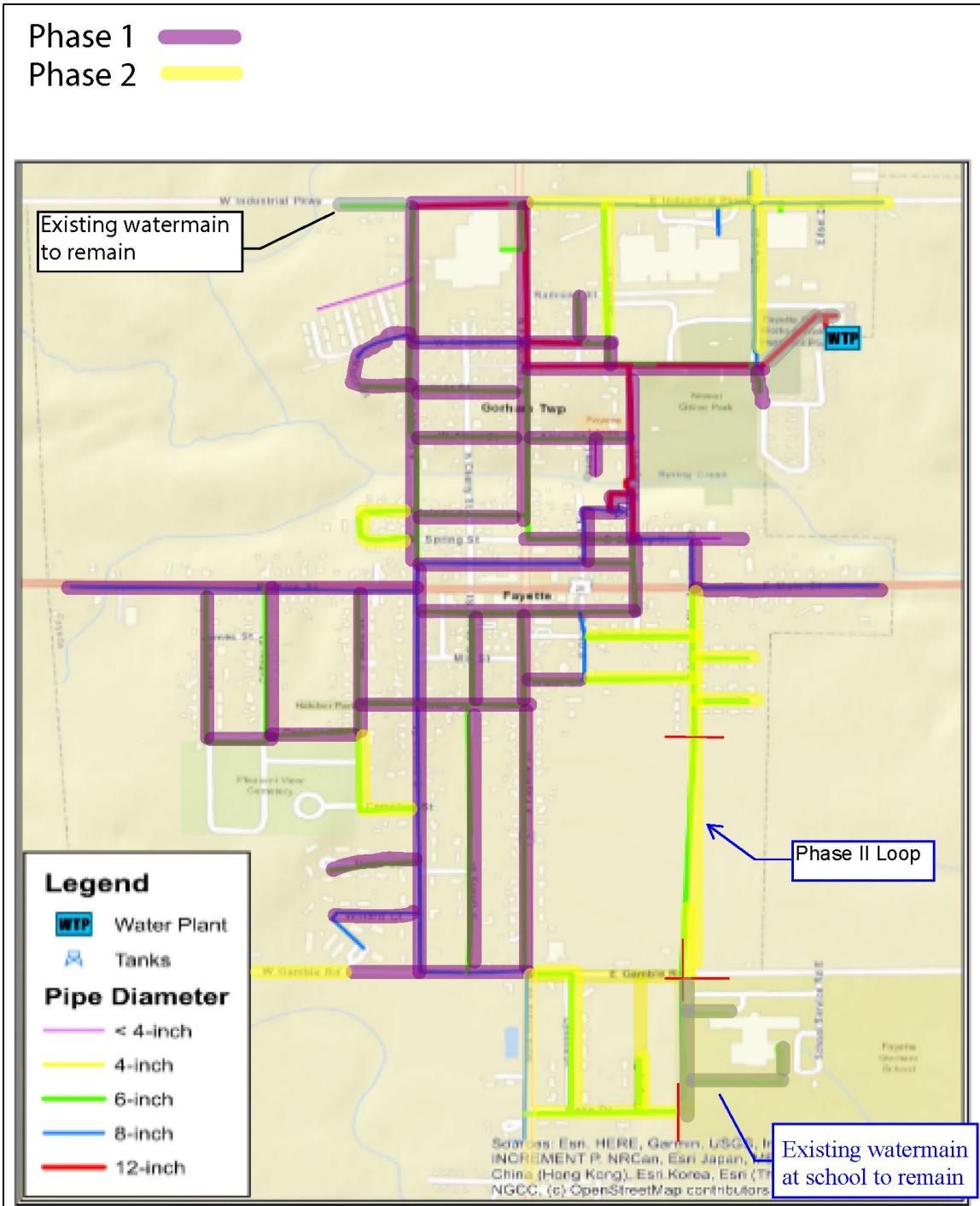


Figure 2. Proposed water line replacements for Phase 1 and Phase 2