



GRETCHEN WHITMER  
GOVERNOR

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



LIESL EICHLER CLARK  
DIRECTOR

June 1, 2022

TO: All Interested Citizens, Organizations, and Government Agencies

SUBJECT: FINDING OF NO SIGNIFICANT IMPACT  
**Tawas Utilities Authority**  
**Wastewater Treatment Plant Improvements**  
**Clean Water State Revolving Fund Project No. 5721-01**

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 wastewater project plan submitted by the applicant mentioned above.

#### **HOW WERE ENVIRONMENTAL ISSUES CONSIDERED?**

Part 53, Clean Water Assistance, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, being Sections 324.5301 to 324.5316 of the Michigan Compiled Laws Annotated, requires EGLE to evaluate all environmental implications of a proposed wastewater project. EGLE has done this by incorporating a detailed analysis of the environmental effects of the proposed alternatives in its review and approval process. A project plan containing information on environmental impacts was prepared by the municipality 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 plan 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 [www.michigan.gov/cwsrf](http://www.michigan.gov/cwsrf) under "Related 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.

Finding of No Significant Impact

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#### **HOW DO I SUBMIT COMMENTS?**

Any comments supporting or disagreeing with this preliminary decision should be submitted to me at EGLE, Constitution Hall, P.O. Box 30457, Lansing, Michigan 48909-7957.

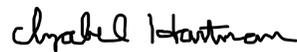
We will not take any action on this project plan for 30 calendar days from the date of this notice in order to receive and consider any comments.

#### **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 Ms. Valorie White, the project manager, at 517-599-5879, by email at [WhiteV1@michigan.gov](mailto:WhiteV1@michigan.gov), or you may contact me. Your interest in this process and the environment is appreciated.

Sincerely,



Izabel Hartman, Unit Supervisor  
Water Infrastructure Financing Section  
Finance Division  
517-284-5433

Attachment

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**  
**Clean Water State Revolving Fund**  
**Tawas Utilities Authority, Iosco County**  
**Environmental Assessment**  
**June 2022**

**PROJECT IDENTIFICATION**

**Applicant:** Tawas Utilities Authority

**Address:** 760 Newman Street  
East Tawas, Michigan 49764

**Authorized Representative:** Mr. David Leslie, Tawas Utilities Authority Chairperson

**Project Number:** 5721-01

**PROJECT SUMMARY**

Tawas Utilities Authority (TUA) administers the collection and treatment of wastewater flows from the City of East Tawas (East Tawas), the City of Tawas City (Tawas), and a portion of Baldwin Township. The TUA services a region covering 2.56 square miles of southeast Iosco County, bordered by Wilber Township, Whitney Township, Au Sable Charter Township, and Oscoda Township (Figure A). According to the U.S. Census, the TUA had a service area residential population of approximately 4,602 in 2016. The U.S. Census Bureau projects East Tawas and Tawas will have populations of 2,550 and 2,445, respectively, by the year 2036.

The proposed project will rehabilitate the regional wastewater treatment plant (WWTP). The specific improvements include the following: (1) Headworks improvements, including new mechanical screens, solids compactor, channel overflow rerouting, and grit removal/odor control system; (2) Supervisor Control and Data Acquisition (SCADA) upgrades; (3) concrete repair and painting; (4) increased sludge storage capacity; (5) rehabilitation of oxidation ditches and secondary clarifiers; (6) rehabilitation of the anaerobic digestion system; (7) rehabilitation of existing gaseous chlorine treatment system. See Figure B for an aerial view of the WWTP facilities. The proposed project will take approximately two years to construct, beginning in April 2023 and concluding in April 2025.

TUA anticipates financing the project with a low-interest Clean Water State Revolving Fund (CWSRF) loan of an estimated \$8,955,000. As a qualifying disadvantaged community, TUA is eligible to receive 15 percent principal forgiveness on the loan, estimated at \$1,343,250. TUA owns and operates the WWTP, splitting expenses 50-50 between Tawas and East Tawas. Baldwin Township is a wholesale customer of TUA; revenues from Baldwin Township cover approximately eight percent of TUA's operating expenses. The typical Tawas or East Tawas residential customer may experience up to a \$15 monthly rate increase from the project; this may be mitigated to some degree by pre-existing changes to the rate structure that started in 2016. Baldwin Township will determine the rate impact to its residential wastewater collection system customers.

## **EXISTING SYSTEM AND PROJECT NEED**

The TUA WWTP started operating in 1966 adjacent to the Tawas River. The WWTP originally consisted of only primary clarifiers, an anaerobic digester, and sludge drying beds. In 1989, the facility underwent a major expansion to include grit removal, capacity upgrades, biological treatment, chlorine gas disinfection, polymer flocculent, chemical feed systems, and a variety of sludge treatment and storage upgrades. An odor control system was added in 1999, and grit removal systems were replaced in 2015.

Other than the grit removal system, most assets in the facility are past their useful design life and are beginning to fail, resulting in consistent violations (11 of the last 20 quarters) of TUA's National Pollutant Discharge Elimination System (NPDES) permit, MI0021091. As of May 2021, the WWTP discharged at a capacity of 2.4 million gallons per day (MGD) to the Tawas River.

TUA identified a list of 19 priority items for rehabilitation in the system's 2020 Asset Management Plan (AMP). A few items were previously completed, and this proposed project will address a majority of the items listed as high priority by the TUA AMP and the EGLE Water Resources Division violation notices. The recommended rehabilitation project at the WWTP will increase system efficiency, longevity, reliability, and compliance with NPDES permit requirements.

## **PROPOSED PROJECT**

### **A. Alternatives Considered**

#### No-Action Alternative

Taking no-action is not a feasible alternative for the TUA WWTP. The secondary treatment, sludge handling, and disinfection processes have all exceeded their useful lives. If these issues are not addressed, the WWTP will continue to fail permit requirements, most likely resulting in enforcement action against TUA. There are also considerable energy efficiency issues at the plant, resulting in higher operational costs and user charge burdens than necessary. As a result, this alternative was not considered.

#### Regional Alternative

Regionalization is not an available option for evaluation because the TUA WWTP is already regional; it serves customers in Tawas, East Tawas, and Baldwin Township. Decommissioning the WWTP and routing all flows to a different WWTP is unrealistic and cost prohibitive. As a result, this alternative was not considered.

#### Alternative 1A: Primary Treatment Replacement – Aerobic Digestion

Alternative 1A would involve full demolition of the existing primary clarifiers and anaerobic digestion system, installation of a new aerobic digestion system, and rehabilitation of the oxidation ditches to handle the direct flow from the headworks. This alternative would address the consistent biological oxygen demand (BOD) issues the TUA WWTP experiences. Aerobic digestion is an industry standard for handling waste activated sludge

and would increase the efficiency of the digesting process at the TUA WWTP. Alternative 1A would cost an estimated \$471,100.

Alternative 1B: Primary Treatment Rehabilitation – Anaerobic Digestion

Alternative 1B would involve rehabilitation of the existing primary clarifiers and anaerobic digestion system. This alternative would address the BOD issues the TUA WWTP experiences. The benefit of this alternative lies in utilizing pre-existing equipment and facilities where possible. Alternative 1B would cost an estimated \$562,400. During review, TUA found that the present worth of Alternative 1B was approximately \$2,000 less than the present worth of Alternative 1A, making Alternative 1B the more cost-effective option. Alternative 1B also has the benefit of carryover staff experience/familiarity with the process.

Alternative 2: WWTP-Wide Rehabilitation

Alternative 2 consists of rehabilitation of the headworks equipment, fine grit screening, SCADA systems, electrical and facility structural systems, sludge storage tanks and mixing equipment, oxidation ditches, and secondary clarifiers. This alternative will cost an estimated \$5,578,400 (see Table 1). The alternative to this option would be full replacement of these items, which cost analysis determined would not be cost effective.

Table 1: Alternative 2 Cost Estimate

<b>Description</b>	<b>Estimated Cost</b>
Headworks and Grit System Rehabilitation	\$1,459,000
SCADA Construction	\$418,000
Structural, Safety, and Electrical Construction	\$1,190,400
Sludge Storage and Mixing Construction	\$1,908,000
Oxidation Ditch and Secondary Clarifier Rehabilitation	\$603,000
<b>TOTAL</b>	<b>\$5,578,400</b>

Alternative 3A: Disinfection Replacement – Cloth Filters & Ultraviolet (UV) Disinfection

Alternative 3A would involve full demolition of the existing tertiary treatment system, installation of a cloth filtration system, and installation of a UV disinfection system. This alternative would address the fecal coliform issues TUA WWTP experiences. Alternative 3A would cost an estimated \$882,000.

Alternative 3B: Disinfection Rehabilitation – Gaseous Chlorine System

Alternative 3B would involve rehabilitation of the existing tertiary treatment system (gaseous chlorine disinfection). This alternative would also address the fecal coliform issues TUA WWTP experiences. Alternative 3B would cost an estimated \$358,000 and would not require retraining of operational staff.

**B. Proposed Project**

The proposed project consists of Alternatives 1B, 2, and 3B. TUA initially selected the replacement options in the final project plan, but further financial and operational analysis demonstrated that full replacement would be cost prohibitive and not as cost effective as

rehabilitation. TUA submitted a revised project plan (after a public notice period) to change the selected alternatives. The selected alternatives will be sufficient to meet the needs of the community, and the TUA WWTP will be less likely to violate the terms of the NPDES permit.

**C. Project Cost Estimate**

Table 2: CWSRF Project No. 5721-01 Cost Estimate

Description	Estimated Cost
Design Engineering, Financial, Legal, and Contingencies	\$1,949,600
Alternative 1B Construction Costs	\$562,400
Alternative 2 Construction Costs	\$5,578,400
Alternative 3B Construction Costs	\$358,000
Contingencies for FY 2023 Cost Increases	\$506,600
<b>TOTAL</b>	<b>\$8,955,000</b>

**EXISTING ENVIRONMENT AND POTENTIAL PROJECT IMPACTS**

**A. Water Quality Impacts**

The Tawas River runs through Tawas and East Tawas, and it is the discharge point for the TUA WWTP. The WWTP is 0.5 miles northwest of Tawas Bay. The WWTP project location lies within a 100-year floodplain for the Tawas River, but all work will occur in developed areas within the WWTP facilities. No work will occur in state-regulated undisturbed wetlands. No work will occur in or on the Tawas River itself, and all standard soil erosion control measures will be taken to avoid river impacts. The nearest recreational facility is Dewey Durant Park, which shares a property line with the east side of the WWTP.

None of the work will occur in state-regulated water resource areas, and no materials will be discharged into any waterways. There are no National Wild and Scenic Rivers in or near the project area. The work has no anticipated impacts to state-regulated water resources of floodplains, inland lakes and streams, or wetlands.

**B. Construction Impacts**

A Section 7 review through the U.S. Fish and Wildlife Service website resulted in a no-impact determination for the project. The website identified four species that might potentially be affected by the project work: Channel darter (*Percina copelandi*), Eastern pondmussel (*Ligumia nasuta*), Common loon (*Gavia immer*), and wild rice (*Zizania aquatica*). There are no critical habitats for any of these federally listed species in the project area. A Michigan State University Michigan Natural Features Inventory (MNFI) rare species review for the project concluded that negative impacts to rare species are not expected, as all habitats and historical occurrences are far removed in time and distance from the project area.

There are no historic properties within the project area. Federally identified tribes for Shiawassee County were contacted regarding tribal historic, religious, or cultural resources. The Saginaw Chippewa Indian Tribe of Michigan commented that there are no recorded resources in the area of potential project impact. There are no historical ground contamination sites in the project area. No work will be impacted by ground contamination.

Short-term construction impacts are expected to be minimal. Typical construction disturbances including noise, dust, and traffic changes will occur. All construction activities will take place within existing facilities. Service will be maintained for residents and businesses during construction. The contractor will control noise, dust, traffic, and surface restoration according to local ordinances and contract specifications. Soil erosion and sedimentation control measures will be required to ensure the Tawas River is not impacted. Some of the WWTP work may emanate odors briefly during construction, but the odors will abate with project completion.

#### **D. Secondary Impacts**

No significant secondary impacts are anticipated for this project. The project is designed to address deficiencies at the WWTP and accommodate for the expected 20-year needs. The project will not expand the wastewater system service area. The project will help the WWTP function at its permitted design capacity of 2.4 MGD.

### **PUBLIC PARTICIPATION**

TUA held a public hearing on the project plan on May 27, 2021, via Zoom. The public hearing was advertised in the *Iosco County News Herald* on April 28, 2021. Copies of the project plan were made available for public review at the Tawas and East Tawas Municipal Offices and on the city websites at the same time. No questions were raised by the public or the council during the public hearing. TUA signed a Resolution adopting the project plan immediately after the hearing. TUA held a public meeting on November 11, 2021, on the subject of the February 3, 2022, project plan amendment. TUA made the project plan amendment available on the city websites for public comment and received no comments.

### **REASONS FOR CONCLUDING NO SIGNIFICANT IMPACTS**

The TUA WWTP project will have no significant adverse direct, indirect, or cumulative impacts on socioeconomic, cultural, or environmental factors. Minor construction impacts will be temporary and localized to construction zones. These impacts can be mitigated with sound construction practices and adherence to permit requirements (for soil erosion, sedimentation control, etc.).

Questions regarding this Environmental Assessment should be directed to:

Ms. Valorie White, Project Manager  
Water Infrastructure Financing Section  
Finance Division  
Michigan Department of Environment, Great Lakes, and Energy  
P.O. Box 30457  
Lansing, Michigan 48909-4957  
Telephone: 517-599-5879  
E-Mail: [WhiteV1@michigan.gov](mailto:WhiteV1@michigan.gov)

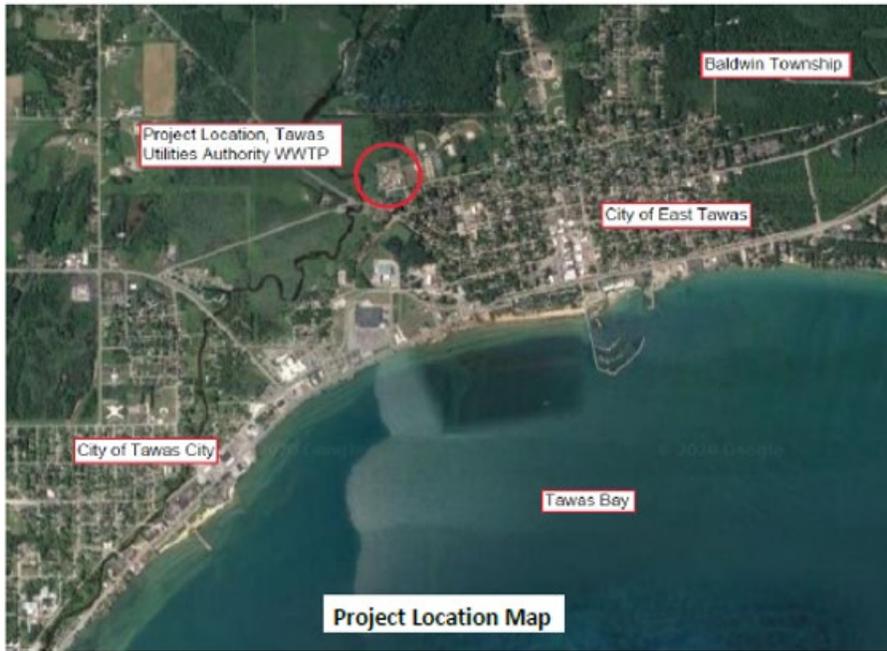


Figure A: The City of Tawas, City of East Tawas, and Baldwin Township service area.



Figure B: Aerial view of the Wastewater Treatment Plant and the project location.