



# Lost Lake Utility District

## Public Hearing Minutes

404 Lake Court, Dixon IL at 6:00 PM

February 14, 2024

**Present:** Cheri Kemp, LLUD Chair; Ross Baker, Chamlin, District Engineer; Beth Caudill, LLUD Office Manager; Terry Kemp, Community Member.

**I. Call to Order:** Cheri Kemp called the meeting to order at 12:01 pm.

**II. Pledge of Allegiance**

**III. Wastewater Treatment Plant Improvements Project / IEPA Preliminary Environmental Impacts Determination**

*Ross Baker read into the record the following:*

*This is a public hearing regarding IEPA Loan Project Number L176939. Per Section 365.330 of the Illinois Procedures for Issuing Loans from the Water Pollution Control Loan Program, an assessment of the environmental impacts of the proposed wastewater projects to be funded with loans is required. This review is carried out in conjunction with the State's review of Lost Lake Utility District's project plan.*

*Prior to final approval of the project plan, the public's comments are sought regarding environmental impacts of the proposed project. Unless new information obtained through the public comment process causes reconsideration, the Agency will approve the project plan at the close of the public comment period.*

*Advertisement for this hearing, as well as public inspection information, was published Friday, February 2nd, 2024, in the Sauk Valley News. The Project Summary and Preliminary Environmental Impacts Determination (PEID) have been available since this date and will continue to be available for public inspection and comment through Saturday February 24th, 2024. During this comment period, written comments may be submitted to Lost Lake Utility District or to the IEPA contact person identified in the PEID.*

*In 2022, the filter media in RSF Cell #1 was replaced in an attempt to improve treatment. While improvement was seen, the effluent still occasionally exceeds allowable limits. It was determined that the plant's current treatment configuration is incapable of meeting the ammonia limit set by the NPDES permit. A major improvement is necessary. In particular, for the plant to adequately convert ammonia to nitrite and nitrate, complete nitrification must take place in the treatment system. The proposed project will accomplish this by replacing filter media in Cell #2, aerating the final holding tank, and introducing media to the final holding tank. These steps were determined to be the most cost-effective means for improving treatment quality.*

*The District is proposing to finance the project costs with a loan from the Water Pollution Control Loan Program (WPCLP). A loan in the amount of \$797,620 with an estimated interest rate of 1.81% for a twenty (20) year period would have an annual repayment of approximately \$47,564. The current loan program interest rate is 1.81%. The interest rate adjusts annually on July 1st. All loans are subject to the interest rate in effect at the time a loan agreement is issued.*

*Using current data, the District is eligible to receive partial principal forgiveness of up to 15% of the loan amount and a small community interest rate of 1.36% (75% of the base interest rate). If the District receives these incentives, the annual debt service of the loan will be reduced to \$38,737. The Agency adjusts qualifying criteria annually on July 1st. The final loan and annual repayment amounts will be based on the as-bid project costs and the loan terms in effect on the date the loan agreement is issued. Applicants that qualify for principal forgiveness will not have a repayment obligation for a portion of their loan. Principal forgiveness and/or reduced interest rate will reduce the loan payment amount and possibly any associated increase to the user charges. Principal forgiveness is not guaranteed until a loan agreement is issued. A user rate increase will not be necessary to repay this loan.*

*Once again, public comments are invited on the proposed project and can be submitted in written form to either the Lost Lake Utility District or IEPA contact person identified in the PEID.*

**IV. Adjournment:** Cheri adjourned the meeting at 12:07pm.

**Next Regular Meeting: February 20, 2024 at 6:00 pm**