



Mike DeWine, Governor  
Jon Husted, Lt. Governor  
Laurie A. Stevenson, Director

May 5, 2022

**Limited Environmental Review and Finding of No Significant Impact**

**Ayersville Water & Sewer District – Defiance County  
AWSD TTHM Removal Project  
Loan number: FS391038-0007**

The attached Limited Environmental Review (LER) is for a water supply project in Defiance County which the Ohio Environmental Protection Agency intends to finance through its Water Supply Revolving Loan Account (WSRLA) below-market interest rate revolving loan program. The LER describes the project, its costs, and expected environmental benefits. Making available this LER fulfills 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 WSRLA program review and approval process. We have concluded that the proposed project should not result in significant adverse environmental impacts. This project's relatively narrow scope and lack of environmental impacts qualifies it for the LER rather than a more comprehensive Environmental Assessment. More information can be obtained by calling or writing the person named at the end of the attached LER.

Upon issuance of this 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*

Kathleen Courtright, Assistant Chief  
Division of Environmental and Financial Assistance

Attachment

# LIMITED ENVIRONMENTAL REVIEW

## Project Identification

Project: AWSD TTHM Removal  
Applicant: Ayersville Water & Sewer District  
13961 Fruit Ridge Road  
Defiance, OH 43512

Loan Number: FS391038-0007

## Project Summary

The Ayersville Water & Sewer District (AWSD) serving parts of Defiance County has requested \$202,700 in financial assistance from Ohio EPA's Water Supply Revolving Loan Account (WSRLA) to make improvements to its water supply system in two main locations in its service area as shown in Figure 1. All work will be in prior disturbed locations generally lacking important environmental features. The district's existing water distribution and storage systems need improvements to address total trihalomethane levels in its finished water.

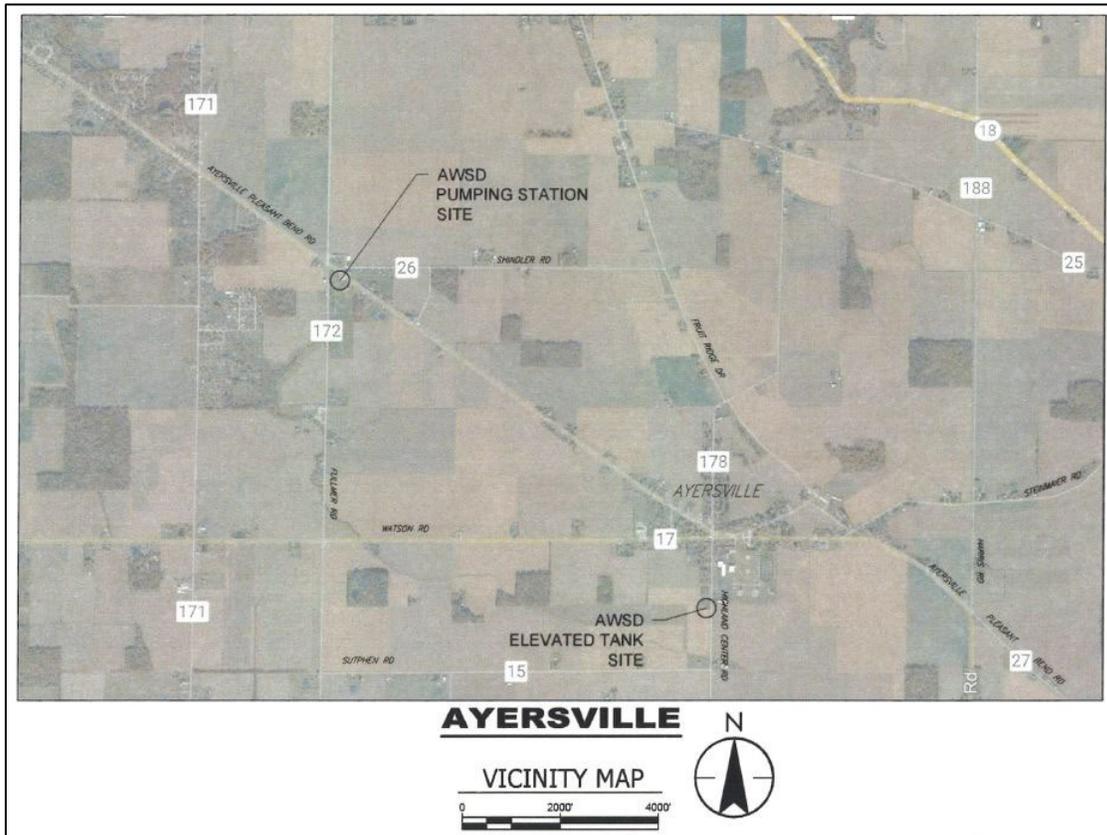


Figure 1. AWSD project area

Given the proposed small system 1.06% WSRLA loan funding, this individual project should not require any water rate increases. The district's most recent significant water rate increase of 10.4% was adopted in 2020. A smaller increase of about 2% was put in place in 2022.

### **History & Existing Conditions**

AWSD provides public drinking water to a population of about 1,700 people in Highland Township in Defiance County (see Figure 2) through a water distribution system consisting of a pump station, a 150,000-gallon elevated tank near Highland Center Road, and 35.3 miles of water mains ranging in size from two- to ten-inches in diameter. Most of the existing system was installed in the 1970s. Extensions and replacements of the original lines have occurred in the interim. The district relies on the City of Defiance for its source of potable water.

Since 2016, the district has had problems with total trihalomethane (TTHM) levels in its finished water supply. These problems have led to violations of the federal Safe Drinking Water Act rule for TTHMs. The district was issued findings and orders by Ohio EPA in January 2018 to perform five specific tasks: complete a general plan, finish a pilot test of TTHMs, prepare detail plans, construct the improvements, and reduce TTHMs to below the maximum contaminant level. A pilot study conducted in September and October 2020 provided the district with a better understanding of its distribution and storage system components and indicated that the elevated water tank is a leading contributor to overall TTHM generation. From this pilot test's results, the district established a modified, phased approach of adding new stationary equipment at the existing pumping station and the elevated water tank for TTHM treatment as described in the following section.

### **Project Description**

According to the district, there are three phases in its approach to addressing its TTHM problem. Phase 1 consists of correcting the water stratification problem in the elevated water storage tank. Phase 2 includes monitoring and system optimization of the booster pump station and the elevated water storage tank. Phase 3 is a conditional activity if the first two phases do not provide the expected TTHM reduction results. It will entail TTHM removal using specialized equipment in the water tower. No ground disturbance is associated with any of the improvements in this project.

More specifically, Phase 1 includes the installation of a mixing system at the existing elevated water storage tank and the replacement of a valve within the existing pump station. In addition to installing a mixer and ventilation unit, Phase 1 involves adding the necessary controls at the base of the tank and replacing a control valve in the pumping station where the district and the City of Defiance's distribution systems connect. In so doing, the district will be able to better regulate the operation of these two components. Phase 1 will be installed at two locations including the elevated water storage tank near the Ayersville Local School on Watson Road, while the pump station is located along Ayersville Pleasant Bend Road.

In Phase 2 following installation of the two stationary pieces of equipment, the district will monitor the TTHM concentrations and chlorine residuals throughout the system and adjust the valve and elevated water tower fill and draw settings as necessary until they are optimized. If the Phase 2 monitoring effort indicates that the Phase I improvements are not successful, Phase 3 will be completed. It includes the installation of a spray unit in the elevated water storage tank designed specifically for TTHM reduction. After installation, the effectiveness of the spray unit will be assessed during further TTHM and chlorine residual monitoring. Purchase of the spray unit has been included in this overall project and it will only be installed if found to be necessary during Phase 2.

## **Implementation**

To implement the proposed \$200,000 improvements described above, the district intends to finance its project through a 20-year 1.06% interest rate loan from Ohio EPA's WSRLA program.

Under the water rates currently in effect, a typical, residential customer of the district using 3,700 gallons of water per month is currently paying a fee of \$83 per month, or about \$1000 a year. When expressed as a percentage of the service area's latest median household income (MHI) figure of \$59,931, this annual fee is about 1.67% of the area's MHI.

Assuming the project funding presented above, Ohio EPA expects that the district will save about \$49,000 when compared to a market-rate loan of 2.81% on the project's estimated total project cost of \$200,000. By proposing to fund its project in this way, Ohio EPA anticipates that the district should be able to generate enough revenue under its current and proposed rate structure to continue to own, operate, and maintain its water distribution and treatment systems well into the future.

Under the applicant's proposed project schedule, WSRLA funds are expected to be awarded in May 2022, so that construction can commence soon thereafter. The district estimates that construction on this project can be completed in about eight months.

## **Public Participation**

The AWSD encourages public interest and participation in its decisions affecting drinking water. The Board of Trustees meets regularly at the district's office located at 13961 Fruit Ridge Road in Defiance. The public is welcome to attend these meetings and can ask questions or express concerns.

During project planning, the district held a board meeting open to the public in January 2020. At this meeting, the board passed a resolution raising water rates.

Ohio EPA will make a copy of this document available to the public on its web page (<https://epa.ohio.gov/divisions-and-offices/environmental-financial-assistance/announcements>) and will provide it upon request. A copy may also be posted at the district's office and on its web site (if available).

## **Conclusion**

AWSD's proposed project meets the project type criteria for a Limited Environmental Review (LER); namely, it is an action within an existing water distribution system, which involves adding stationary equipment to existing water pumping and storage components. Furthermore, the project meets the other qualifying criteria for an LER; specifically, the proposed project:

**Will have no significant environmental effect on high-value environmental resources and will require no extensive impact mitigation unique to the assistance proposal** because the proposed project is limited to two prior-disturbed locations that do not encompass any unique or sensitive areas. Construction activities will be in and along a residential street and a school parking lot as shown in Figure 1. As such, this project does not entail extension of service to any undeveloped areas. Routine management practices as are typically found in storm water pollution prevention plans and other impact mitigation related to air quality, traffic control, safety, and tree protection are part of the proposed project during its estimated eight month construction timeframe.

**Is cost effective and not the subject of significant public interest, or controversy.** The necessary improvements were selected as more cost effective than the other options on the basis of costs and non-monetary factors. In particular, the results of the pilot testing suggest aeration and any needed Phase 3 equipment are effective methods of treatment for reducing TTHMs in the AWSD's drinking water supply. Moreover, the proposed improvements constituting the project are non-controversial because they will not adversely impact the environment, or the residential rates paid for water service.

**Does not create a new, or relocate an existing discharge to surface or ground waters, and 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** because the proposed project's purpose is restricted to addressing the district's TTHM violations.

**Will not provide capacity to serve a population substantially greater than the existing population.** Based on information provided by the district during planning, the project area is not expected to grow significantly in population over the next twenty years. Rather, this project's purpose is to address existing needs within the district's water supply system. On this basis, the proposed project should have no effect on environmental attributes that are typically affected by growing populations.

To conclude, the district's proposed project is sufficiently limited in scope and meets all applicable criteria to warrant an LER. The planning activities for the proposed project identified no potentially significant, direct, indirect, or cumulative adverse impacts. The proposed project is expected to have no short- or long-term adverse impacts on the quality of the human environment or on sensitive resources such as ozone levels and air quality, floodplains, wetlands, archaeologically or historically significant sites, or threatened or endangered species. Based on its pilot test results, the district's proposed project will enable it to address its responsibilities under the Safe Drinking Water Act. Public health risks associated with potential exposure to TTHMs in AWSD's distribution system in the project area are expected to be reduced.

### **Contact information**

Kevin Hinkle  
Ohio EPA, Division of Environmental and Financial Assistance  
Office of Financial Assistance, Technical Review Section, Environmental Planning Unit  
P.O. Box 1049  
Columbus, Ohio 43216-1049

e-mail: [kevin.hinkle@epa.ohio.gov](mailto:kevin.hinkle@epa.ohio.gov)

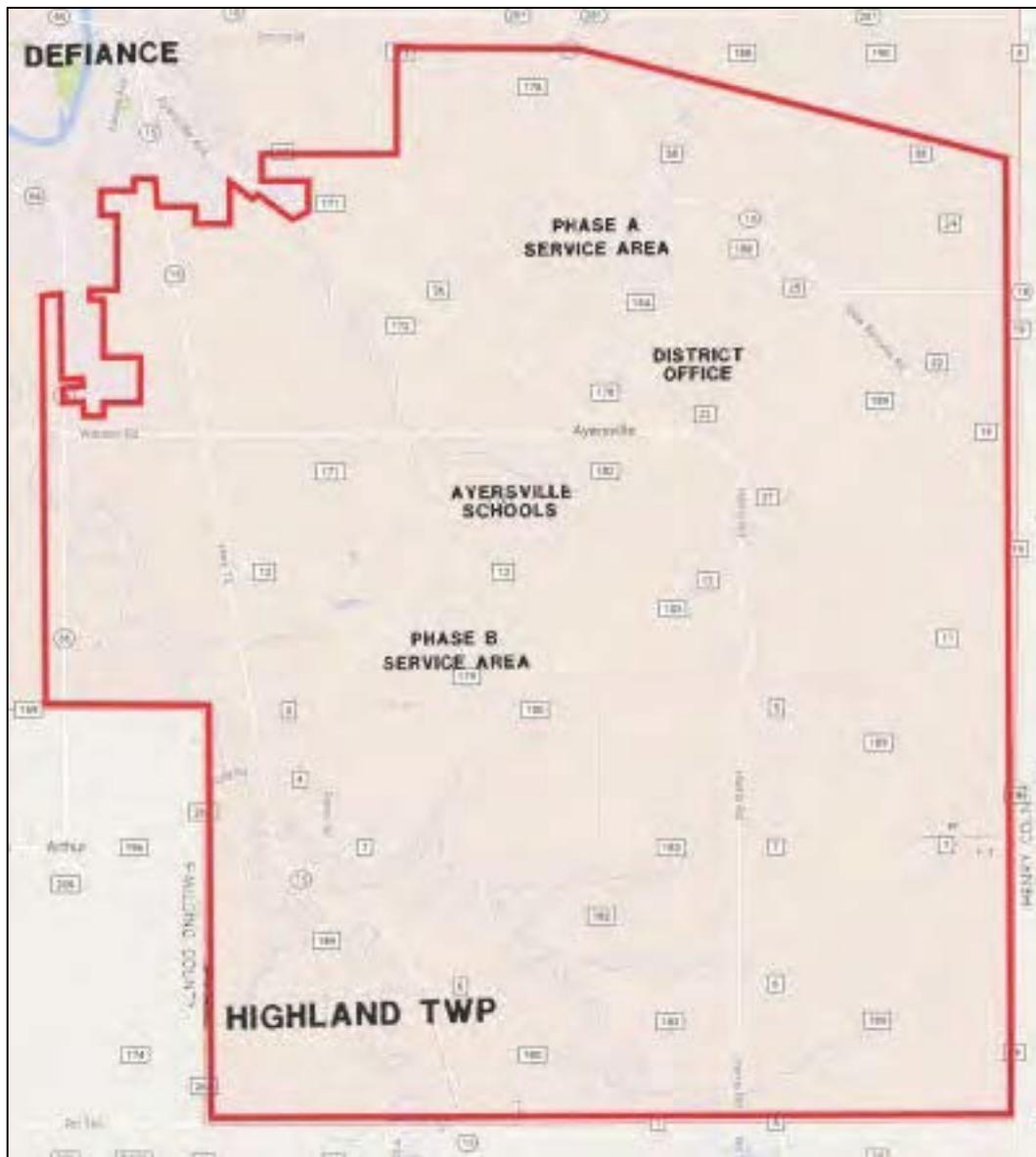


Figure 2. Service area map