

DRINKING WATER STATE REVOLVING LOAN FUND PROGRAM

FINDING OF NO SIGNIFICANT IMPACT

TO: All Interested Citizens, Government Agencies and Public Groups

In accordance with the Nebraska Drinking Water State Revolving Fund environmental review process, which is based on the National Environmental Policy Act, an environmental review has been performed on the proposed agency action below.

This information reviews the environmental impact likely from a project. This project is planned to be federally funded through your tax dollars; therefore, you are entitled to take part in its review. If you have concerns about the environmental impact of this project, please provide them at this time. The Nebraska Department of Environmental Quality encourages public input in this decision-making process.

PROJECT NAME: New Well, new well tie into the distribution system, generator, and well abandonment
City of Pierce, Nebraska

DWSRF PROJECT NUMBER: D311625

ESTIMATED PROJECT AMOUNT: \$655,000

PROPOSED LOAN FORGIVENESS AMOUNT: \$131,000

The City of Pierce has applied for funding for the above-referenced project through the Drinking Water State Revolving Fund (DWSRF) program jointly administered by the Nebraska Department of Health and Human Services (DHHS) and the Nebraska Department of Environmental Quality (NDEQ). This project has been ranked #7 with 135 priority points and is included on the Funding List in the DWSRF State Fiscal Year 2019 Intended Use Plan (IUP). Based on supporting documentation on file with the NDEQ, the City was determined to be eligible for a DWSRF loan with loan forgiveness of 20.00% of the loan principle.

Pierce is located in northeastern part of Nebraska, at the intersection of State Highways 13 and 98. The community has a population of 1,767 according to the 2010 census. The population decreased 3% from the 2000 census.

Pierce has been issued a permit to operate a public water system (PWS) under the provisions of the Nebraska Safe Drinking Water Act and the Regulations Governing Public Water Supply Systems, Title 179. The PWS consists of three municipal wells, a 300,000 gallon water storage tower and a distribution system. The combined potential pumping capacity of the three wells is 1,750 gpm.

In February 2018, the City's Engineer completed a report that evaluated the siting of a new well with a tie into the distribution system and the abandonment of a recently inactivated "Middle well" located at a different site. The project will also include a trailer mounted generator for backup power.

The 350 gpm "Middle Well" screen has developed holes resulting in fine sands pumped with the water. Since the "Middle Well" casing diameter is too small to be renewed through relining, it will be abandoned. The new well proposed by the project is designed to pump 500 gpm. With the new well in service, the projected maximum pumping capacity of Pierce drinking water system is expected to be 1,900 gpm.

The new well has iron and manganese concentrations above the secondary maximum contaminant level (SMCL). The EPA has set SMCL to manage aesthetic qualities of drinking water noticeable by the general public. Iron at levels above the SMCL include rusty color, sediment, metallic taste, and reddish or orange staining. For manganese the effects include black to brown color, black staining, and a bitter metallic taste. While not considered a public health concern, EPA established the SMCL standards because many people stop using water from their public water system when these limits are exceeded even though the water is actually safe to drink.

The new well is in the water shed in the North Fork of the Elkhorn River. The proposed project does not increase the water demand for the community nor is it being constructed in anticipation of increased demands of water in the future.

The proposed project was reviewed by several federal and state agencies for environmental impacts. All Other Agency Review responses received, indicated that the project would either have no affect or iterated their basic programs permit requirements. The new well will be registered with the Nebraska Department of Natural Resources, and a well construction permit will be required from the Lower Elkhorn Natural Resources District. A National Pollutant Discharge Elimination System Construction Stormwater permit will be required by NDEQ if more than one acre of land is disturbed.

The City is eligible for a 20-year loan at an interest rate of 2.00% with an additional 1.00% administration interest rate fee for an overall effective loan interest rate of 3.00%. The Drinking Water SRF program plans to finance the estimated \$655,000 project. The City of Pierce is eligible for the 20.00% loan forgiveness. The revenues from Pierce's water utility will be dedicated to repay the loan. The projected annual loan debt service including 10.00% coverage of principle and interest is \$38,539.70.

Pierce's current water rate for a typical residential connection is \$8.50 per month, with an additional \$2.00 use charge for every 1,000 gallons of water furnished thereafter. That equates to a water bill of \$24.50 per month, based on a common household water use of 8,000 gallons. With 762 active service connections, household rates may need to be raised approximately \$4.21 to

service the new debt. The recommended rate including the new debt servicing is \$24.50 plus \$4.21 equals \$28.71.

A Public Hearing was held May 17, 2018 to discuss the proposed project and the potential impacts to existing water rates, with 42 days advanced posted notice. A presentation of the proposed project was made by the Engineer, including the project and engineering report. No comments were made by the public.

The proposed project is determined by DHHS to help the Public Water Supply (PWS) maintain compliance with the Safe Drinking Water Act. The system last underwent a routine sanitary survey by DHHS in June of 2017, wherein no deficiencies were noted. That completed survey is the first step of the Technical, Financial, and Managerial (TFM) program policy. The City will still be required to undergo an Initial, and if necessary, a Final TFM Assessment by the DHHS, to ensure that their capabilities meet the requirements of the Safe Drinking Water Act. Also, their current Environmental Tracking Tool score is 0, below the allowable 11 per issued U.S. Environmental Protection Agency guidance.

No significant environmental impacts have been identified that would result from the proposed action. All necessary permits for construction or discharges will be obtained from the appropriate agencies, e.g. the NRD, etc. Consequently, a preliminary decision has been made that an Environmental Impact Statement will not be prepared.

This action is taken on the basis of a careful review of the environmental assessment, the engineering report, and other supporting data that are on file with NDEQ. The latter are available for public review upon request and the environmental assessment is attached. The NDEQ will not take any administrative action on the project for at least 30 calendar days from the date shown below. Persons having a comment on this determination are encouraged to submit directly to David Lathrop at 402 471-4252 or email david.lathrop@nebraska.gov of DHHS, or John Danforth at 402 471-3373 or email john.r.danforth@nebraska.gov of the Water Permits Division of NDEQ.

Signed this 19th day of June, 2018.

Sincerely,

Jim Macy
Director

Attachments: Environmental Assessment
Distribution List
Map