



DRINKING WATER STATE REVOLVING LOAN FUND PROGRAM CATEGORICAL EXCLUSION

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 (NEPA), 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 wholly or in part 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 (NDEQ) encourages public input in this decision-making process.

PROJECT NAME: South Pump Station and 16th Avenue Main Replacement
APPLICANT: City of Blair
COUNTY: Blair
POPULATION: 7,990
DWSRF PROJECT NUMBER: D311619
TOTAL LOAN AMOUNT: \$1,330,300
FORGIVENESS AMOUNT: \$199,545

The City of Blair has applied for funding, through the Drinking Water State Revolving Fund (DWSRF) program jointly administered by the Nebraska Department of Health and Human Services-Division of Public Health (DHHS) and the NDEQ, to replace the South Pump Station, which lacks capacity to meet the current user demand, and to replace approximately 3,000 feet of water main along 16th Street, which is nearly 90 years old and has had multiple leaks in recent years. The replacement 2 million gallon per day pump station and 12-inch water main are being reasonably sized for future growth.

According to the Priority Ranking System this project is considered to be a low priority and was included on the Planning List in the State Fiscal Year 2018 Intended Use Plan (IUP). The project can be funded in accordance with the IUPs listed bypass criteria, as the bypass date of January 1, 2018 has passed. Based on supporting documentation on file with the NDEQ, this project was determined to be eligible for a 20-year loan at an interest rate of 2.0% per the criteria listed in the IUP. In addition to principal and interest, an administrative fee of 0.5% of the loan balance will be assessed. With the planned change of the funding program to infrastructure replacement, Blair is eligible for forgiveness assistance capped at 15% based on the community's population. The current residential water rate is \$1 for every 100 cubic feet thereafter, or \$7 per month for just over 5,000 gallons of water used. The projected annual DWSRF Debt Service (including 10% coverage) is \$81,919. Based upon the 3,593 active service connections, residential

water rates may need to be raised approximately \$2 per month to address the new debt service; however, a final assessment of any potential rate increase would be made by the City after the completion of the project.

The proposed project was reviewed for eligibility for a categorical exclusion from National Environmental Policy Act review specified in 40 CFR (Code of Federal Regulations) Part 6.204. The project meets all criteria described in the above reference and the Department has determined that this project is eligible for a categorical exclusion. Consequently, a preliminary decision has been made that a Finding of No Significant Impact will not be prepared. The project as proposed is solely the replacement of existing infrastructure. Justification for categorical exclusion includes:

- The proposed action is not known or expected to have potentially significant environmental impacts on the quality of the human environment either individually or cumulatively over time;
- The proposed action is not known or expected to significantly affect federally listed threatened or endangered species or their critical habitat;
- The proposed action is not known or expected to significantly affect national natural landmarks or any property with nationally significant historic, architectural, prehistoric archeological or cultural value, including but not limited to, property listed on or eligible for the National Register of Historic Places;
- The proposed action is not known or expected to significantly affect environmentally important natural resource areas as wetlands, prime farmland, wild and scenic rivers, and significant fish or wildlife habitat;
- Based on a review of the available mapping, a portion of the project lies within the 100-year flood plain. However, it is in an area that has been previously disturbed and all of the work done within that area, will require a permit from the local floodplain administrator;
- The proposed action is not known or expected to have a significant effect on the pattern and type of land use (industrial, commercial, agricultural, recreational, residential) or growth and distribution of population including altering the character of existing residential areas, or may not be consistent with state or local government, or federally-recognized Indian tribe approved land use plans or federal land management plans.

The City has a permit to operate a public water system under the provisions of the Nebraska Safe Drinking Water Act and the Regulations Governing Public Water Supply Systems, Title 179. The proposed project is determined by DHHS to help the public water system maintain compliance with the Safe Drinking Water Act. The infrastructure investment in replacing the pump station and deteriorating water main is in line with the stated goals of the U.S. Environmental Protection Agency's Drinking Water Infrastructure Sustainability Policy. The system last underwent a routine sanitary survey by DHHS in September of 2017, wherein five deficiencies were noted, which were all addressed by October 10, 2017. 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, well below the allowable 11 per issued U.S. Environmental Protection Agency guidance.

The NDEQ shall revoke the categorical exclusion and shall require a full environmental review if, subsequent to the granting of exclusion, the state determines that the proposed project no longer meets the requirements for a categorical exclusion due to changes in the proposed project; or new evidence reveals that serious local or environmental issues exist; or federal, state, local or tribal laws are being violated.

This action is taken on the basis of careful review of the application and other supporting data, which are on file in the office of the NDEQ. These are available for public review upon request. Persons having a comment on this categorical exclusion determination are encouraged to submit such comments directly to Steve McNulty, DHHS at 402 471-1006 or email steve.mcNulty@nebraska.gov, or John Danforth, Water Permits Division of NDEQ at 402 471-3373 or email john.r.danforth@nebraska.gov.

Signed this 6th day of February, 2018.

Sincerely,

Jim Macy
Director

Attachments: Distribution List
 Map

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