



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 (DWSRF) 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 Environment and Energy (NDEE) encourages public input in this decision-making process.

DRINKING WATER SRF LOAN

PROJECT NAME:	2021 Water System Improvements
APPLICANT:	Village of Fairmont
COUNTY:	Fillmore County
POPULATION:	592
DWSRF PROJECT NUMBER:	D311705
TOTAL PROJECT AMOUNT:	\$300,000
PROPOSED DWSRF LOAN FORGIVENESS AMOUNT:	\$225,000
PROPOSED DWSRF LOAN AMOUNT:	\$75,000

The Village of Fairmont has applied for funding through the DWSRF program administered by the NDEE to make several upgrades to their water system. The scope of the project proposes a new gravity media filtration water treatment plant, including one packaged water filter, two high service pumps, chlorine and sodium permanganate chemical feed systems, and back-up power generation. Additionally, the Village proposes to upgrade existing water meters by replacing them with new radio-read meters and install a new standby well generator to improve system reliability. This loan is to assist in planning and design costs for Phase I of a two-phase project.

The total estimated cost for the proposed planning and design loan is \$300,000. The project was listed on the Project Priority Funding list in the State Fiscal Year 2023 Intended Use Plan (IUP). Based on supporting documentation on file with the NDEE, this project was determined to be eligible for a 5-year loan with an annual interest rate of 0.5 percent and an annual administrative fee of 0.5 percent. The City is eligible for 75% DWSRF loan forgiveness, dependent on availability of funds, per criteria listed in the IUP. For an estimated cost of \$300,000, this would equate to a forgiveness amount of \$225,000.

The Village of Fairmont's water use fees would be pledged to repay the DWSRF loan. For a typical residential connection, the current monthly rate is \$25.00, with an added consumption charge of \$0.25 per 100 gallons of water used, resulting in an average monthly water bill of \$37.50 for a typical 5,000-gallon monthly household water use. The long-term average annual DWSRF Debt Service (including 10% coverage, and interest and admin payments) would be \$17,120. Based on 308 active service connections, water rates may need to be raised approximately by an additional \$4.63 to address the new debt service on the drinking water loan. This estimate includes the noted loan forgiveness.

The Village 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 the NDEE to help the public water system maintain compliance with the Safe Drinking Water Act. The system last underwent a routine sanitary survey by the NDEE on February 22nd, 2022, wherein four (4) deficiencies were noted (all deficiencies have been addressed through corrective action). That completed survey is the first step of the Technical, Managerial and Financial (TMF) program policy. Fairmont will still be required to undergo an initial and, if necessary, a final TFM Assessment by the NDEE to ensure that their capabilities meet the requirements of the Safe Drinking Water Act. Also, their current Environmental Targeting Tool score is 0, below the allowable 11 per issued U.S. Environmental Protection Agency guidance.

Categorical Exclusion Justification for Drinking Water Projects

The proposed projects were reviewed for eligibility for a categorical exclusion from a 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. 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, properties 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, no portion of the project lies within the 100-year floodplain. In addition, this project meets the Federal Flood Risk Management Standard for federally-funded projects set by Executive Order (EO) 14030, Climate-Related Financial Risk, reinstating EO 13690, Establishing a Federal Flood Risk Management Standard and a Process for Further Soliciting and Considering Stakeholder Input (January 30, 2015);
- 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;

- Based on review there are no new/relocated surface or groundwater discharges; the project is not being developed to provide capacity to service a population greater than 30% of that existing for the community; and it is supported by a State growth strategy. In addition, there will not be a substantial increase in volume/loading of pollutants to receiving streams; and
- The proposed action is not known or expected to cause significant public controversy.

The NDEE 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 NDEE. 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 the NDEE State Revolving Fund Program at ndee.srf@nebraska.gov. Should additional funding become available, the amounts applied for by the City of Fairmont may be provided in full.

Signed this 24th day of May, 2023.

Sincerely,



Sarah Starostka,
Administrator
Planning and Aid Division

Attachments: Distribution List
 Maps

CATEGORICAL EXCLUSION DISTRIBUTION LIST
VILLAGE OF FAIRMONT

DEPARTMENT OF ENVIRONMENT & ENERGY
Office of Public Affairs
P.O. Box 98922
Lincoln, NE 68509-8922

DEPARTMENT OF NATURAL RESOURCES
Elijah Kaufman – Environmental Specialist
Floodplain Management
P.O. Box 94676
Lincoln, NE 68509-4676

NEBRASKA GAME & PARKS COMMISSION
Melissa Marinovich & Jessica Tapp
P.O. Box 30370
Lincoln, NE 68503-0370

DIRECTOR, NEBRASKA STATE
HISTORICAL SOCIETY
P.O. Box 82554
Lincoln, NE 68508-2554

STATE OFFICE OF POLICY RESEARCH
Policy Advisor – Cicely Wardyn
Rm 1319, State Capitol
P.O. Box 94601
Lincoln, NE 68509-4601

DEPARTMENT OF ECONOMIC DEVELOPMENT
Aaron Boucher
245 Fallbrook Blvd, Ste. 002
Lincoln, NE 68509

DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
Janae Johnson
9325 South Alda Road
Wood River, NE 68883

NATIONAL PARK SERVICE
Christine Gabriel
Environmental Coordinator
Midwest Regional Office
601 Riverfront Drive
Omaha, NE 68102-4226

USDA RURAL DEVELOPMENT
Ryan Brandt & Kelley Messenger
Room 308, Federal Building
100 Centennial Mall North
Lincoln, NE 68508

ENVIRONMENTAL PROTECTION AGENCY
Chris Simmons and Kelly Beard-Tittone
11201 Renner Blvd
Mail Code: WWPDWIMB
Lenexa, KS 66219

STATE CONSERVATIONIST– Robert Lawson
Natural Resources Conservation Service
Federal Building, Room 152
100 Centennial Mall North
Lincoln, NE 68508-3866

DEPARTMENT OF THE ARMY
John Moeschen
State Program Manager
US Army Corps of Engineers
Nebraska State Office, Suite 1
8901 South 154th Street
Omaha, NE 68138-3621

APPLICANT:
Donald A. Moses, Chairman
Village of Fairmont
635 6th Street, PO BOX 156
Fairmont, NE 68354

CONSULTING ENGINEER:
Tyler Keenan, PE
JEO Consulting Group, Inc.
303 West 3rd Street, Suite 1
Grand Island, NE 68801

LOCAL NEWSPAPER:
Nebraska Signal
131 North 9th Street
Geneva, NE 68361
(Public Information Only not for Public Notice)

NATURAL RESOURCES DISTRICT:
Upper Big Blue Natural Resources District
319 East 25th Street
York, NE 69025



Figure 1 – Location of Active Wells in Fairmont (Proposed water treatment plant to be built near Well 921)

