



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

PROJECT NAME: Replacement Well G-114946  
Paxton, NE  
DWSRF PROJECT NUMBER: D311652  
TOTAL PROJECT AMOUNT: \$501,900  
PROPOSED AMOUNT OF LOAN FORGIVENESS: \$125,475

The Village of Paxton 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 Division of Public Health (DHHS) and the NDEE. Beginning in 2018, one of Paxton's Public Water Supply (PWS) wells began experiencing uranium mass concentrations near and above the current maximum contaminant level (MCL) of 30.5 µg/L. The running annual average concentration in 2019 for uranium was 29.6 µg/L. Therefore, a new well is proposed in the general vicinity of Paxton's primary well that has been a reliable drinking water source, below all primary drinking water standards, since its construction in 2003. The proposed well will replace the existing well with elevated uranium concentrations, which will be decommissioned. According to the Priority Ranking System in the 2020 Intended Use Plan (IUP), this project is considered to be high priority, and it is included on the Project Priority Planning List. Based on documentation on file, the project was determined to be eligible for a DWSRF loan with a corresponding principal forgiveness rate of 25%.

The Village of Paxton is located in western Nebraska, off of State Highway 30, just north of Interstate 80. It is about 20 miles east of Ogallala, Nebraska. The community has experienced a slightly declining population over the past decade, from a 2010 Census population of 523 to a current estimated population of 492. Paxton's Public Water System currently consists of two

municipal supply wells, an additional emergency supply well, an elevated 100,000-gallon water storage tower, and a distribution system.

The proposed project was reviewed by Federal and State agencies for environmental impacts. The majority of the agencies responding indicated there would be no adverse impact, have no effect, or posed no concern. The U.S. Army Corps of Engineers, from preliminary information, identified that the project may impact Waters of the United States. They indicated that an application for a permit should be submitted if fill material will be placed into a Water of the United States.

The proposed well is located in Nebraska's Platte River valley. In 2006, the governors of Colorado, Nebraska, and Wyoming, and the U.S. Secretary of the Interior signed an agreement to implement a basin-wide Platte River Recovery Implementation Program. The program allows each of the States to review, manage, and require offsets for future Platte River flow depletions under their New Depletions Plan. Nebraska's plan became effective January 1, 2007, and the Twin Platte Natural Resources District (TPNRD) is responsible for administering all regulatory requirements for the Paxton project. The TPNRD issued a letter that the project improvements will be covered under the New Depletions Plan, in that any new or expanded ground water use will be offset by either the TPNRD or the Village.

The Village is eligible for a 30-year loan at an interest rate of 1.5 percent. In addition to principal and interest payments, an administrative fee of 0.5 percent of the principal balance will be assessed each year. The revenues from Paxton's water utility will be dedicated to repay the loan. The projected annual DWSRF Debt Service (including 10% coverage) for the project is \$19,247. For a typical residential connection, the current monthly rate is \$30.00 with a water use charge of \$1.65 per 1000 gallons, resulting in an average monthly water bill of \$42.40 for a typical 7,500-gallon monthly household water use. Based on 275 active service connections, monthly household rates may need be raised \$5.83 to pay for the new debt service.

A Public Hearing was held May 18, 2020 via tele-conference, during which the Engineer discussed the engineering report, impact rates, and any needed mitigation measures to meet drinking water criteria. The Engineer reported that the hearing was held for any citizens of Paxton who had questions concerning the new rates to pay for the well, but no callers were noted. The hearing was advertised 33 days in advance.

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 DHHS to help the public water system maintain compliance with the Safe Drinking Water Act. The system last underwent a routine sanitary survey by DHHS in June of 2017, wherein several deficiencies were noted. These deficiencies have since been addressed. That completed survey is the first step of the Technical, Financial, and Managerial (TFM) program policy. The Village 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

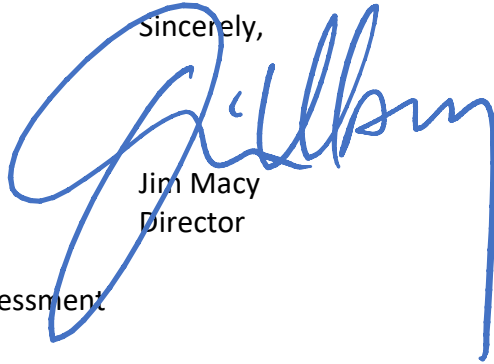
Tracking Tool score is 0, below the allowable 11 per issued U.S. Environmental Protection Agency guidance.

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., DNR, NRD, NDEE, DHHS, 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 engineering report and other supporting data that are on file with NDEE. All are available for public review upon request. The NDEE 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 Hillary Stoll at 402 471-4252 or email [hillary.stoll@nebraska.gov](mailto:hillary.stoll@nebraska.gov) of the Technical Assistance Section of NDEE, or Sarah Frey at 402 471-4266 or email [sarah.frey@nebraska.gov](mailto:sarah.frey@nebraska.gov) of the Water Financial Assistance Section of NDEE.

Signed this 22<sup>nd</sup> day of June, 2020.

Sincerely,



Jim Macy  
Director

Attachments: Environmental Assessment  
Distribution List  
Map

## ENVIRONMENTAL ASSESSMENT DOCUMENT

### A. Project Identification:

**Applicant:** Village of Paxton  
**Project No.:** D311652  
**City:** Paxton **County:** Keith **State:** NE  
**Estimated Project Cost:** \$501,900  
**Proposed Amount of Loan Forgiveness:** \$125,475

### B. Community Description:

**Location:** The Village of Paxton is located in western Nebraska, off of State Highway 30, just north of Interstate 80. It is about 20 miles east of Ogallala, Nebraska.

**Population:** The community has a current estimated population of 492. The community has experienced a slight decline in population over the past decade based on the 2010 Census population of 523.

**Current Water System Facilities:** Paxton's PWS consists of two municipal supply wells, an additional emergency supply well, an elevated 100,000-gallon water storage tower, and a distribution system with metered service connections. The wells pump directly into the distribution system with no chemical addition.

**C. Project Description:** A new, 300-gallon per minute well will be drilled to the south of the Village, approximately 1100 feet north of Well 2003-01, the Village's primary supply wells. The proposed installation will also include connection to the existing system and the disconnection/abandonment of Well 89-1 (high uranium well). The proposed well, in addition to the existing well (Well 2003-01), will supply water to the Village. The use of both wells will be necessary to provide adequate capacity during periods of high-water usage.

### D. Alternatives Considered:

Alternatives considered were:

1. No project, or
2. Construct a new well

**Evaluation and Selection of the Alternative:** Beginning in the fourth quarter of 2018, routine monitoring detected levels of uranium mass concentrations near or above the MCL of 30.5 µg/L. The running annual average of uranium mass concentrations during 2019 was 29.6 µg/L. The most recent sample collected on March 9, 2020, detected a uranium mass concentration of 32.5 µg/L. A test well drilled south of the Village was

sampled on August 21, 2019, and the uranium mass concentration was 6.37 µg/L, which is significantly below the MCL. Moreover, all of the other water quality data for this proposed well are in accordance with the Safe Drinking Water Act.

If no project were constructed, the Village would be left with only one active well that has uranium levels reliably below the drinking water standard. Per State regulations, Paxton must provide to its residents a supply of safe drinking water on a continuous basis. While the 2003 well is still operating within its expected design life, typically systems operate with more than one well to both alternate operation and for a backup in case of emergencies (e.g., pump failure, etc.). Moreover, the 2003 well would likely not provide sufficient capacity on its own during periods of high-water usage. It is commendable that the Village is now replacing the high uranium 1989 well with a new permanent well expected to meet all drinking water standards.

## **E. Environmental Impact Summary:**

### **Primary:**

**Construction:** Temporary impacts caused by construction include noise and dust, a limited potential for soil erosion, and fuel/oil spills. The Village will make an application to the Twin Platte Natural Resources District for a well construction permit. The new well will be registered with the Nebraska Department of Natural Resources (NDNR). Review and approval for a construction permit will be required from the Engineering Services Program of DHHS.

**Environmental:** The construction contracts will require that the contractors return the area to its original or better condition. The land has not yet been acquired by the Village, but the area required for the wellhouse will be minimal, and will have little, if any, effect on area species.

The proposed project was reviewed by numerous Federal and State agencies for environmental impacts. The State Historical Society noted that no historic properties would be affected by the project. The U.S. Army Corps of Engineers noted the applicability of their Section 404 permit requirements if it is determined that fill material would be placed into Waters of the U.S. Typically during project design, activities can be planned to avoid fill placement, such as boring of the transmission lines or proper routing of pump test discharges. The NDNR noted that a portion of the project is located within a regulated (1% annual chance) floodplain and/or floodway. The local floodplain administrator will be contacted concerning floodplain management and permitting. The USDA Natural Resources Conservation Service indicated no concerns related to the Farmland Protection Policy Act.

**Financial:** An application for DWSRF loan assistance has been received for the \$501,900 project, to fund the new water well. The Village is eligible for a 1.5 percent, 30-year loan and a corresponding amount of principal forgiveness set at 25% of eligible project costs. If executed, the community will have an annual DWSRF debt service of \$19,247, which includes a ten percent coverage that is required on all loans. Included in that amount is an administrative fee of 0.5 percent on the principal balance that will be assessed each year. The revenues from Paxton's water utility will be dedicated to repay the loan. For a typical residential connection, the current monthly rate is \$30.00 with a water use charge of \$1.65 per 1000 gallons, resulting in an average monthly water bill of \$42.40 for a typical 7,500-gallon monthly household water use. Based on 275 active service connections, monthly household rates may need be raised \$5.83 to pay for the new debt service. An assessment of costs and revenues will be conducted after completion of the project.

### **Secondary:**

**Population Impacts:** The new well is not primarily needed for future growth, but to shift the Village's reliance on a well with uranium mass exceedances to a quality supply well, ensuring that compliance with the uranium drinking water standard is maintained. The improvements will be reasonably sized to accommodate predicted population trends.

**Land Use and Trends:** The location of the proposed well is to the south of Paxton, approximately 1100 feet north of existing Well 2003-1. The wellhouse will be on land that was previously disturbed through farming. The well site has been approved by DHHS, and new well test kit data show water quality will be acceptable in the supply well. All water mains will be placed below ground at a depth where they will not interrupt any planned practices. A Nebraska State Historical Society review noted that the referenced project does not contain recorded historic resources.

**Environmental:** The proposed well is located in Nebraska's Platte River valley. In 2006, the governors of Colorado, Nebraska, and Wyoming, and the U.S. Secretary of the Interior signed an agreement to implement a basin-wide Platte River Recovery Implementation Program. The program allows each of the States to review, manage, and require offsets for future Platte River flow depletions under their New Depletions Plan. Nebraska's plan became effective January 1, 2007, and the Twin Platte Natural Resources District (TPNRD) is responsible for administering all regulatory requirements for the Paxton project. The TPNRD issued a letter that the project improvements will be covered under the New Depletions Plan, in that any new or expanded ground water use will be offset by either the TPNRD or the Village.

Minimal solid waste generated by the project will be disposed of in a licensed landfill. No safety, vibration, noise or aesthetic considerations were identified other than the normal noise and disruptions associated with water main and well construction.

**Environmental Justice:** The proposed project will not produce any environmental justice concerns. All structures will be placed in areas previously disturbed through farming, and the services provided by the new well will be available to everyone in the Village, equally. No segments of Paxton's population are impacted disproportionately from related effects.

**Mitigation measures necessary to eliminate adverse environmental effect:** Proper construction techniques will be utilized to minimize soil erosion and other potential impacts of construction. An NPDES permit for stormwater runoff associated with construction activity and a Stormwater Pollution Prevention Plan will be required by NDEE, if more than one acre of land will be disturbed. The community can designate the General Contractor as the authorized representative on the stormwater permit notice of intent submitted to the NDEE. Authorization of stormwater runoff from the construction activities must be in place prior to commencing construction.

**Irreversible and irretrievable commitment of resources:** The resources committed to the project include the equipment, materials and energy used in construction.

**F. Measures Taken to Ensure Environmental Soundness:**

**Public Involvement:** A Public Hearing was held May 18, 2020 via tele-conference, during which the Engineer discussed the engineering report, impact rates, and any needed mitigation measures to meet drinking water criteria. The Engineer reported that the hearing was held for any citizens of Paxton who had questions concerning the new rates to pay for the well, but no callers were noted. The hearing was advertised 33 days in advance.

**Public Opposition or Opinions:** No comments were made.

**Coordination and Documentation with Other Agencies and Special Interest Groups:**

**Facility Planning:** Preliminary Engineering Report, Miller & Associates, Consulting Engineers, P.C., June 2020

**Federal:** U.S. Army Corps of Engineers, January 8, 2020, letter  
U.S. Department of Agriculture, NRCS, November 19, 2019, email  
U.S. Fish and Wildlife Service, January 22, 2020, letter

**State:** NE Department of Natural Resources, December 17, 2019, letter

NE Department of Transportation, Aeronautics Division, December 17, 2019, letter  
NE Game and Parks Commission, December 27, 2019, letter  
NE State Fire Marshal Agency, December 5, 2019, email  
NE State Historic Preservation Office, December 16, 2019, letter

**Consulting Engineers:** Miller & Associates, Consulting Engineers, P.C., Kearney, NE

**Public Groups:** Village of Paxton Residents

- G. Positive Effects to be Realized from the Proposed Project:** The proposed well will allow Paxton to maintain compliance with the Nebraska Safe Drinking Water Act and ensure future water availability. New well test kit data show water quality will meet NDHHS-DPH Title 179 standards, Regulations Governing Public Water Supply Systems. The project is reasonable, not contrary to conservation or the public welfare, and is a beneficial use of groundwater by the Village of Paxton.
- H. Reasons for Concluding there will be no Significant Impacts:** Review of the engineering report and supporting information indicates that the proposed project will result in no significant impact on the environment. Federal and State agencies reported no impact will result to farming or historical resources. All necessary permits for construction will be obtained from the appropriate agencies (i.e., Section 404, NRD, DHHS, NDEE, etc.), if necessary.



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Reviewing Engineer

6/18/2020

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Date



FINDING OF NO SIGNIFICANT IMPACT DISTRIBUTION LIST  
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APPLICANT:  
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Village of Paxton  
PO Box 338  
Paxton, NE 69155

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Miller & Associates, Consulting Engineers, P.C.  
1111 Central Avenue  
Kearney, NE 68847

LOCAL NEWSPAPER:  
Keith County News  
116 West A  
Ogallala, NE 69153

(Public Information Only not for Public Notice)

NATURAL RESOURCES DISTRICT:  
Twin Platte Natural Resources District  
PO Box 1347  
North Platte, NE 69103

\*Due to the COVID-19 pandemic, this FNSI has been distributed to this list electronically via email instead of physically via a mailed document.

# MAP

