



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 (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 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
POPULATION:	592 (2020 Census)
DWSRF PROJECT NUMBER:	D311714
IIS#	999212
TOTAL PROJECT AMOUNT:	\$3,200,000
PROPOSED DWSRF 75% LOAN FORGIVENESS AMOUNT:	\$2,400,000
PROPOSED DWSRF LOAN PRINCIPAL AMOUNT:	\$800,000

The Village of Fairmont has applied for funding through the Drinking Water State Revolving Fund (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. The Village previously received a planning and design grant of \$300,000, including \$225,000 in loan forgiveness.

The total estimated cost for the proposed drinking water project is \$3,200,000. A water treatment project for the Village of Fairmont was listed on the Project Priority Funding list in the State Fiscal Year 2024 Intended Use Plan (IUP) with a public health advisory on manganese, and ranked at 135 priority points. Based on supporting documentation on file with the NDEE, this project was

determined to be eligible for a 30-year loan with an annual interest rate of 0.5 percent and an annual administrative fee of 0.5 percent. The Village is eligible for 75.0% DWSRF loan forgiveness due to being listed on the emerging contaminants priority list. For an estimated cost of \$3,200,000, this would equate to a forgiveness amount of \$2,400,000.

The Village of Fairmont's water use fees would be pledged to repay the DWSRF loan. For a typical residential connection, the current monthly base 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 first year annual DWSRF Debt Service (including 10% coverage, and interest and admin payments) would be \$35,991. Based on 308 active service connections, water rates may need to be raised approximately by an additional \$9.74 per month to address the new debt service on the drinking water loan. This estimate includes the noted loan forgiveness. In addition to the debt service requirement for the DWSRF loan, monthly operation and maintenance and equipment replacement funds bring the estimated monthly charge to \$47.24 per user as the Community will now operate an iron and manganese removal water treatment facility.

The Village has a permit to operate a public water system NE3105902 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 22, 2022 wherein four (4) deficiencies were noted, and all deficiencies have since 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 a TMF Assessment by the NDEE to ensure that their capabilities meet the requirements of the Safe Drinking Water Act. Also, Fairmont's current Environmental Targeting Tool score is 0, below the allowable 11 per issued U.S. Environmental Protection Agency guidance.

The proposed project was reviewed by several Federal and State agencies for environmental impacts. A Conservation and Environmental Review Tool (CERT) report was voluntarily submitted to the Nebraska Game & Parks Commission (NGPC) by JEO Consulting Group on May 6, 2024. As part of the CERT report, it was stated that the project may be within 1,000 feet of roosting areas for the Northern Long-Eared Bat. Because of this, no suitable trees or roosting structures will be removed during pup-rearing season (June 1 through July 30). Other than this report, all other agencies indicated that the project would either have no affect or iterated their basic program permit requirements. A National Pollutant Discharge Elimination System Construction Stormwater permit will be required by NDEE if more than one acre of land is disturbed.

A Public Hearing was held May 1, 2024, to discuss the proposed project and the potential impacts to existing water rates, with 35 days advanced posted notice and newspaper advertisement. No comments were made by the public.

No significant environmental impacts have been identified that would result from the proposed action. All necessary permits for construction will be obtained from the appropriate agencies (e.g., NDEE,

etc.), if necessary. Consequently, a preliminary decision has been made that an Environmental Impact Statement will not be prepared.

The NDEE shall revoke the finding of no significant impact and shall require a full environmental review if, subsequent to the granting of finding of no significant impact, the NDEE determines that the proposed project no longer meets the requirements for a finding of no significant impact 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 a careful review of the environmental assessment, the engineering report and other supporting data that are on file with NDEE. The latter are available for public review upon request and the environmental assessment is attached. 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 finding of no significant impact determination are encouraged to submit such comments directly to the NDEE State Revolving Fund Program at ndee.srf@nebraska.gov. Should additional funding become necessary, amended amounts applied for by the Village of Fairmont may be provided if funding is available.

Sincerely,



Sarah Starostka,
Administrator
Planning and Aid Division

Attachments: Environmental Assessment
 Distribution List
 Maps

ENVIRONMENTAL ASSESSMENT DOCUMENT

A. Project Identification:

Applicant: Village of Fairmont
Project No.: D311714
Village: Fairmont **County:** Fillmore **State:** NE
Total Project Amount: \$3,200,000
Proposed DWSRF Loan Amount: \$800,000
Proposed DWSRF Loan Forgiveness Amount: \$2,400,000

B. Community Description:

Location: Fairmont is located in southeast Nebraska, at the intersection of US Highways 81 & 6.

Population: The 2020 census population of Fairmont is 592.

Current Water System Facilities: The Village's public water system (PWS) consists of two municipal wells (Well 061 and Well 921). Well 061 was constructed in 2006 and has a design pumping capacity of 460 gallons per minute (gpm). Well 921 was constructed in 1993 and has a design pumping capacity of 500 gpm. Both wells are currently operating below their design capacity, at 430 gpm and 350 gpm, respectively. The Village adds chlorinating solution and poly orthophosphate at each well. Flow rates and water use are metered at the well pumps. Fairmont has a 200,000 gallon elevated water storage tank located at the intersection of Prospect Street and 5th Avenue. The distribution system consists of approximately 52,000 linear feet of water main, with the majority being 4-inch pipe. The Village indicated that they believe the majority of the pipe is cast iron or ductile iron. As water main is repaired, the Village replaces the cast and ductile iron with PVC pipe. Fairmont has fifty fire hydrants and eighty-three valves, and can isolate much of the system as needed.

C. Project Description: In November 2021, a preliminary engineering report was prepared by JEO Consulting Group. JEO identified three main projects for Fairmont. These projects include a new packaged gravity filter water treatment plant, replacing all existing water meters with advanced metering infrastructure (AMI), including radio read meters and software, and a new standby generator at Well 061 in the event of a power outage.

D. Alternatives Considered:

Six improvement alternatives were studied in the 2021 Preliminary Engineering Report as follows:

1. Water treatment plant
2. New well and transmission main
3. Connect to water system of Geneva, Nebraska

4. Distribution system improvements
5. Water meter replacement
6. Additional well generator

The water treatment plant, water meter replacement, and additional well generator were selected as the necessary alternatives. The water treatment plant is designed for manganese removal. The radio read meters will assist the Village with water conservation. The generator at Well 061 will provide reliability for the water system in the event of a power outage.

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. A Title 179 construction permit will be required for the water treatment plant from the Engineering Section of the Nebraska Department of Environment and Energy (NDEE). The new generator may require a Title 129 air construction permit application from the Air Construction Permit Section of the NDEE.

Environmental: The US Fish & Wildlife Service recommended that the engineer complete a federal IPAC (Information for Planning and Consultation) report and a State of Nebraska CERT (Conservation and Environmental Review Tool) report. The CERT report stated that the project may be within a 1,000 foot radius of roosting areas for the Northern Long-Eared Bat. Because of this, the project will not involve the removal of any suitable trees or roosting structures during pup-rearing season (June 1 through July 30). The Nebraska Department of Natural Resources noted that the project is within a 1,000 foot radius of three public water supply wells, but the project should not have any potential impacts to the wells. The Pawnee Nation Tribal Historic Preservation Office stated that the project should not adversely affect the cultural landscape of the Pawnee Nation, although, if undiscovered properties are encountered, the Office should be notified.

Financial: An application for a DWSRF loan has been received for \$3,200,000 to fund the system improvements. The Village is eligible for a 30-year loan with an interest rate of 0.5% plus an administrative fee of 0.5% on the outstanding principal balance assessed annually. Further, Fairmont qualifies for 75% of loan forgiveness per State Fiscal Year 2024 DWSRF program criteria. Therefore, the projected annual DWSRF Debt Service (including 10% coverage) is estimated at \$35,991. Fairmont's 2024 water rate for a typical residential connection is a base rate of \$25.00 per month, with an additional \$0.25 use charge for every 100 gallons of water furnished thereafter. That equates to a water bill of \$37.50 per month, based on a common household water use of 5,000 gallons. Fairmont has 308 active service connections. An additional \$9.74 monthly debt service charge per user has been estimated to address the new debt service plus

coverage. These costs do not include the estimated increase of \$30,000 in operation and maintenance costs for the new water treatment plant.

Secondary:

Population Impacts: The new water treatment system is not primarily needed for future growth, but will be used to address the public health advisory for manganese. However, the improvements will be reasonably sized to accommodate for population growth of 2% per decade.

Land Use and Trends: The location of the water treatment plant is on land owned by the Village. In addition, all new water mains will be placed in Village right-of-way and below ground at depths that will not interrupt any other infrastructure.

Environmental: The construction contracts will require that the contractors return the area to its original or better condition. The new water treatment plant will occupy a very small area of previously developed land and will have little, if any effect on area habitat. The minimal amount of solid waste generated by the project will be disposed in a licensed landfill. No safety, vibration, noise or aesthetic considerations were identified other than the normal noise and disruptions associated with treatment building and water main construction.

The proposed project was reviewed by Federal and State agencies for environmental impacts. The Natural Resource Conservation Service noted that the project may involved areas of prime farmland, however, they consider the location being within an area of land with a density of 30 structures per 40-acre area, and therefore the project is exempt from the Farmland Protection Policy Act.

Environmental Justice: The project will not produce any environmental justice concerns. All structures will be placed in areas on Village-owned property, and the services provided by the proposed project will be available to everyone in Fairmont, equally. No segment of the community's population is 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. Traffic flow may be affected by construction during water treatment plant construction at G Street and Nebraska Avenue, and when water main construction is being done within the village; however, traffic control safety measures (i.e., signs, etc.) will be implemented. An NPDES Construction Stormwater permit for runoff associated with construction activity and a Stormwater Pollution Prevention Plan will be required by NDEE for this project if more than one acre of land is 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 activity 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 Insure Environmental Soundness:

Public Involvement: A Public Hearing was held May 1, 2024, to discuss the proposed project and the potential impacts to existing water rates, with a 35 day advanced posted notice and local newspaper notice.

Public Opposition or Opinions: No comments were made by the public.

Coordination and Documentation with Other Agencies and Special Interest Groups:

Facility Planning: 2021 Water System Preliminary Engineering Report, Village of Fairmont, JEO Consulting Group, Inc,

Federal: Natural Resources Conservation Service, January 16, 2023, email
U.S. Fish and Wildlife Service, January 30, 2023, letter
National Parks Service, January 16, 2023, email

State: NE Department of Environment and Energy, January 16, 2023, email
Nebraska Department of Natural Resources, January 16, 2023, email

Other: Pawnee Nation, Tribal Historic Preservation Office, January 16, 2023, email

Consulting Engineers: JEO Consulting Group, Inc., Grand Island, NE

Public Groups: Village of Fairmont Residents

G. Positive Effects to be Realized from the Proposed Project: The project will allow Fairmont to maintain compliance with the Nebraska Safe Drinking Water Act and ensure future water availability. As such, the project is considered reasonable, not contrary to conservation or the public welfare and is a beneficial use of resources by the Village of Fairmont.

H. Reasons for Concluding there will be no Significant Impacts: Review of the engineering reports and supporting information indicates that the proposed project will result in no significant impact on the environment. All necessary permits for construction will be obtained from appropriate State agencies (e.g., NRD, NDEE). No suitable trees or roosting structures for the Northern Long-Eared Bat will be removed during pup-rearing season (June 1 through July 30).

Andre M Klein

Review Engineer

5-7-24

Date

FNSI DISTRIBUTION LIST
FAIRMONT, NEBRASKA

Omaha, NE 68102-4226

DEPARTMENT OF ENVIRONMENT & ENERGY

Kim McCord-Fisher
kim.mccordfisher@nebraska.gov
P.O. Box 98922
Lincoln, NE 68509-8922

DEPARTMENT OF NATURAL RESOURCES

John Miller, Permits and Registrations Division
john.j.miller@nebraska.gov
P.O. Box 94676
Lincoln, NE 68509-4676

NEBRASKA GAME & PARKS COMMISSION

Melissa Marinovich
ngpc.envreview@nebraska.gov
P.O. Box 30370
Lincoln, NE 68503-0370

NEBRASKA STATE HISTORICAL SOCIETY

Jill Dolberg, Interim Director & CEO
jill.dolberg@nebraska.gov
P.O. Box 82554
Lincoln, NE 68508-2554

STATE OFFICE OF POLICY RESEARCH

Cicely Wardyn, Policy Advisor
cicely.wardyn@nebraska.gov
Rm 1319, State Capitol
P.O. Box 94601
Lincoln, NE 68509-4601

DEPARTMENT OF ECONOMIC DEVELOPMENT

Tom Stephens, Financial Packager
tom.stephens@nebraska.gov
P.O. Box 94666
Lincoln, NE 68509

DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE

Janae Johnson
nebraskaES@fws.gov
9325 South Alda Road
Wood River, NE 68883

NATIONAL PARK SERVICE

Christine Gabriel, Environmental
Coordinator/Midwest
mwro_compliance@nps.gov
601 Riverfront Drive

NATURAL RESOURCES DISTRICT:

David A. Eigenberg, General Manager
Upper Big Blue Natural Resources District
deigenberg@upperbigblue.org
319 East 25th Street
York, NE 69025

USDA RURAL DEVELOPMENT

Ryan Brandt/Kelley Messenger
ryan.brandt@usda.gov;
kelley.messenger@usda.gov
Room 308, Federal Building
100 Centennial Mall North
Lincoln, NE 68508

ENVIRONMENTAL PROTECTION AGENCY

Chris Simmons/Carter Tharp
Simmons.christopher@epa.gov;
tharp.carter@epa.gov
11201 Renner Blvd
Mail Code: WWPDWIMB
Lenexa, KS 66219

NATURAL RESOURCES CONSERVATION SERVICE

Robert Lawson, Natural Resources Conservation
Svc.
robert.lawson@usda.gov
Federal Building, Room 152
100 Centennial Mall North
Lincoln, NE 68508-3866

DEPARTMENT OF THE ARMY

Jeremy Grauf, State Program Manager
US Army Corps of Engineers
jeremy.grauf@usace.army.mil
Nebraska State Office, Suite 1
8901 South 154th Street
Omaha, NE 68138-3621

APPLICANT:

Donald A. Moses, Chairman
fairmont@galaxycable.net
P.O. Box 156
635 6th Street
Fairmont, NE 68354

CONSULTING ENGINEER:

Tyler Keenan, PE

tkeen@jeo.com
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)



Figure 1: Village of Fairmont with Locations of Active Wells

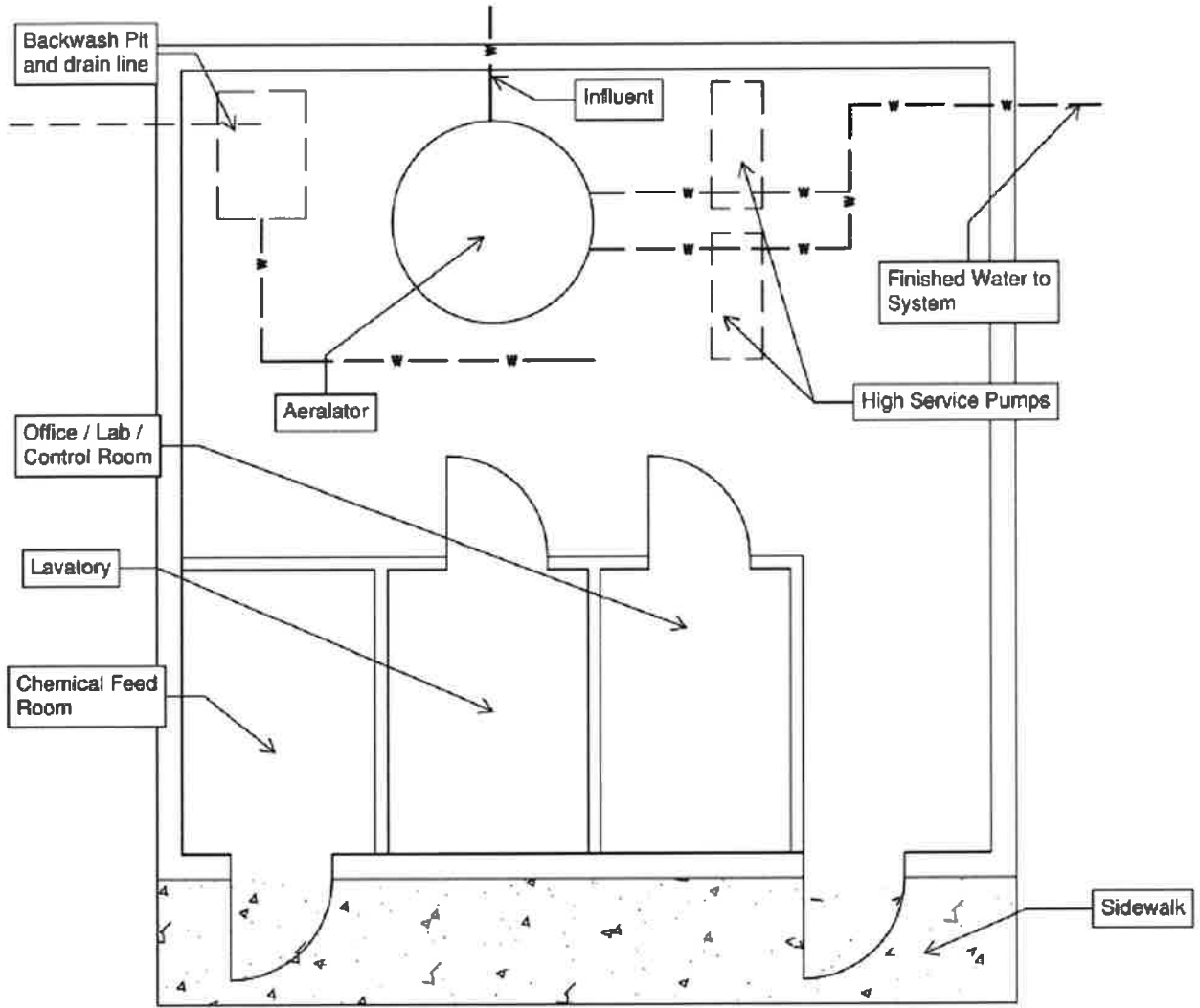


Figure 2: Conceptual Water Treatment Plant Layout