



NEBRASKA STATE REVOLVING LOAN FUND PROGRAM

CATEGORICAL EXCLUSION

TO: All Interested Citizens, Government Agencies and Public Groups

In accordance with the Nebraska 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 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.

PROJECT NAME: O'Neill Water Main Upgrades and Sanitary Sewer Sliplining
APPLICANT: O'Neill, Nebraska
COUNTY: Holt
POPULATION: 3,705 (2010 census)
SRF PROJECT NUMBERS: D311667 (DWSRF) / C318033 (CWSRF)

	CWSRF	DWSRF	TOTAL
LOAN:	\$ 567,964	\$ 1,520,407	\$ 2,088,371
LOAN FORGIVENESS:	-	\$ 268,307	\$ 268,307
TOTAL PROJECT COST:	\$ 567,964	\$ 1,788,714	\$ 2,356,678

The City of O'Neill, Nebraska, is planning to upgrade existing water mains and to slipline and replace existing sanitary sewer service at selected locations within the city and has applied for financial assistance through the Drinking Water State Revolving Fund (DWSRF) and the Clean Water State Revolving Fund (CWSRF) loan programs to finance the projects. The existing 4 inch mains on Everett Street and Fremont Street will be replaced and upgraded to an 8 inch diameter and installed by directional boring with installation of accompanying appurtenances of valves and fire hydrants. The existing 6 inch main on Hynes Street will be replaced with a 10 inch diameter main as a feeder main thereby improving fire protection. In addition, upgrades to water system controls, including emergency feed to Wells 91 and 92 with addition of transfer switches and other modifications, will be installed.

For the sanitary sewer rehabilitation, the following six different locations within the collection system will be sliplined with Cured in Place Pipe (CIPP) and Pipe Bursting:

1. 10th Street from Hynes to Douglas (CIPP)
2. Archer Street from Hynes to John (CIPP)
3. 6th Street from Douglas to Fremont (Pipe Bursting)
4. 4th Street from Douglas to Everett (CIPP)
5. Morton Street & Fremont Street west to Cleveland then north to Douglas (CIPP)
6. Williams Street from 2nd to 3rd (CIPP)

The sanitary sewer pipe will be replaced on a portion of 4th Street from Everett to 250 ft. south of Fremont Street. Replacement construction will follow minimum water/sewer line horizontal separation of 10 feet, with 18 inch vertical separation on pipe crossings. Pipes shall be centered over a water/sewer crossing, extending joints as far as possible from crossing.

The project will have a positive impact on the environment. The project will eliminate substandard 4 inch water mains and provide a feeder and fire protection increase for the high school. The CIPP sanitary sewer repair will seal joints and reinforce existing aged sewer mains lowering infiltration and inflow into the sanitary sewer system. This will provide an estimated 50 year life and water tight joints to the replaced section on 4th Street.

The water and sanitary sewer projects are eligible for financing through the DWSRF and CWSRF programs and are listed on the FY2021 Intended Use Plan.

For the DWSRF portion of the project, the total estimated cost is \$1,788,714. The DWSRF could provide financing for eligible costs through a loan with repayment terms up to 30 years with an annual interest rate of 0.0 percent and an annual administrative fee of 0.0 percent. O'Neill is eligible for 15 percent DWSRF loan forgiveness, up to a ceiling of \$268,307, dependent on availability of funds.

O'Neill's water rate would be pledged to repay the DWSRF loan. Currently, the bill for a residential water service is \$22.00 base, plus \$1.80 per thousand gallons usage, which, for a typical 5,000 gallons monthly estimated usage, would total an average monthly charge of \$31.00. The City of O'Neill has approximately 1,672 water service connections. An estimated water rate increase of \$2.77 per month would be sufficient to pay the proposed DWSRF debt service and 10% debt coverage of \$50,680 per year.

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 the Department of Health and Human Services (DHHS) to help the public water system maintain compliance with the Safe Drinking Water Act. The system last underwent a routine sanitary survey by the DHHS on June 12, 2018, wherein no deficiencies were noted. That completed survey is the first step of the Technical, Financial, and Managerial (TFM) program policy. O'Neill 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.

For the CWSRF portion of the project, the total estimated cost is \$567,964. The CWSRF could provide financing for eligible costs through a loan with repayment terms up to 30 years with an annual interest of 0.0 percent and an annual administrative fee of 0.0 percent.

Sewer use fees would be pledged to repay the CWSRF loan. Currently, the bill for a residential sewer use rate is \$20.10 base, plus \$2.80 per 1,000 gallons usage, which, for a typical 5,000 gallon per monthly use, would total an average monthly charge of \$34.00. The City of O'Neill has approximately 1,672 sewer connections. An estimated sewer rate increase of \$1.04 per month would be sufficient to pay the proposed CWSRF sewer debt service and 10% debt service coverage of \$18,932 per year.

A small portion of the water project at Jefferson and Everett Street was found in the 100 year floodplain of the Elkhorn River. A permit to construct in the floodplain will be needed from the local floodplain administrator in O'Neill. No endangered species, prime farmland, or historic resources are

anticipated as work is within the developed city limits. A Construction Storm Water General Permit will be required from NDEE if more than 1 acre of land will be disturbed. The community can designate the general contractor as the authorized representative on the storm water permit notice of intent submitted to the NDEE. Authorization of storm water runoff from the construction activity must be in place prior to commencing construction and the areas disturbed during construction will be re-paved or re-seeded with comparable grasses. The project must comply with the Migratory Bird Treaty Act and Eagle Act.

The proposed project was reviewed for eligibility for a categorical exclusion from the National Environmental Policy Act review specified in 40 Code of Federal Regulations Part 6.204. The project meets all criteria described in the above reference and the NDEE 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 to serve existing users in previously developed areas. Justification for categorical exclusion includes:

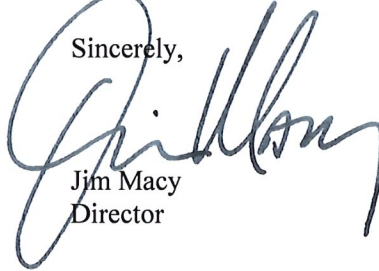
- The proposed action is not known or expected to have potentially significant environmental impacts on the quality of the human environment either individually or cumulatively over time;
- The proposed action is not known or expected to significantly affect federally listed threatened or endangered 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, and floodplains (a small portion of the proposed Everett Street water main replacement at Jefferson Street is found in the 100 year floodplain). No prime farmland, wild and scenic rivers, and significant fish or wildlife habitat (the project specifications will require compliance with the Migratory Bird Treaty Act and Eagle Act) will be affected;
- 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 be consistent with state or local government, or federally-recognized Native American Tribe approved land use plans or federal land management plans;
- 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; 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 Tom Fuenning, Review Engineer, of the Technical Assistance Section of NDEE, who can be reached at (402) 471-4989 or email: tom.fuenning@nebraska.gov, or the NDEE Project Manager for the project, John Danforth at (402) 471-3373 or email: john.r.danforth@nebraska.gov.

Signed this 19th day of March, 2021.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Macy". The signature is written in a cursive style with a large initial "J".

Jim Macy
Director

JM/TSF/tsf

Attachments: Distribution List
Map

CATEGORICAL EXCLUSION DISTRIBUTION LIST

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Olsson
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Grand Island, NE 68801

LOCAL NEWSPAPER
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114 N. 4th Street
O'Neill, NE 68763
(Public Information Only, not for Public Notice)

REVISIONS	
NO.	DATE

CITY OF O'NEILL UTILITY PROJECTS WATER & SANITARY SEWER CITY OF O'NEILL O'NEILL, NE 2021
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SHEET 1 of 1

