



## 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 Environmental Quality encourages public input in this decision-making process.

**PROJECT NAME:** New Well with Transmission Main, Well Upgrades and Distribution System Improvements  
City of Milford, Nebraska

**DWSRF PROJECT NUMBER:** D311373

**ESTIMATED PROJECT AMOUNT:** \$1,394,000

**PROPOSED DWSRF LOAN AMOUNT:** \$1,115,200

**PROPOSED DWSRF LOAN FORGIVENESS AMOUNT:** \$278,800

The City of Milford 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 (DHHS) and the Nebraska Department of Environmental Quality (NDEQ). This project has been ranked as a high priority project and is included on the Funding List in the DWSRF State Fiscal Year 2017 Intended Use Plan (IUP). Based on supporting documentation on file with the NDEQ, the City was determined to be eligible for a DWSRF loan with corresponding loan forgiveness capped at 20% of project costs.

Milford is located in eastern part of Nebraska, east of the intersection of State Highways 6 and 15, to the south of Interstate 80. The community has a population of 2,090 according to the 2010 census. Milford has been issued permit to operate a public water system (PWS) under the provisions of the Nebraska Safe Drinking Water Act and the Regulations Governing Public Water Supply Systems, Title 179.

In July 2015, the City's Engineer completed a preliminary engineering report that evaluated the siting of a new well with transmission main. The PWS consists of six municipal wells, a 300,000 gallon water storage tower, an 112,000 gallon ground tank with a booster

pump, and a distribution system. Within the past several years, three of the wells tested above the drinking water standard for Nitrates at monitored concentrations of 12.5, 13.0 and 16.9 mg/L, and a fourth well had an elevated level of 8.83 mg/L. The supplies from each of the wells is blended with the remaining two system wells, which are screened at greater depths, have lower pumping capacities, elevated levels of iron and manganese, and are nearing 20 years of operating age. The report recommended that the City construct a third deeper low nitrate well, to ensure that the City can adequately maintain a blended supply below the standard of 10 mg/L. Lastly, several distribution system improvements were identified which will also be constructed, and upgrades to existing system wells to improve the efficiency of the system operation.

The proposed project was reviewed by several Federal and State agencies for environmental impacts. The majority were positive in that the project would either have no affect, was cleared of significant concerns, was highly unlikely to have an impact, or iterated their basic programs permit requirements. To those requirements, the new well will be registered with the Nebraska Department of Natural Resources and a permit will be required from the Upper Big Blue Natural Resources District. A National Pollutant Discharge Elimination System Construction Stormwater permit will be required by NDEQ if more than one acre of land is disturbed. Lastly, a Section 404 permit will be obtained through the U.S. Army Corps of Engineers, if impacts to the Waters of the U.S. cannot be avoided during design.

The City is eligible for a 20-year loan at an interest rate of 2 percent on 80% of the estimated project costs (i.e., 20% will be forgiven). In addition to principal and interest payments, an administrative fee of 1 percent will be assessed. The revenues from Milford's water utility will be dedicated to repay the loan. The projected annual DWSRF Debt Service (including 10% coverage) is \$86,863. Milford's current water rate for a typical residential connection is \$10 per month, with an additional \$1.50 use charge for every 1,000 gallons of water furnished thereafter. ~~That equates to a water bill of \$22 per month, based on a common household water use of 8,000~~ gallons. With all active service connections, household rates may need to be raised just over \$9 to address the new debt service.

A Public Hearing was held October 3, 2017 to discuss the proposed project and the potential impacts to existing water rates, with 34 days advanced posted notice. A detailed announcement of the scope of the project was made by the Mayor. No comments were made by the public.

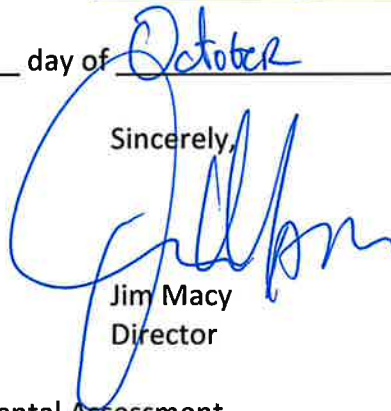
The proposed project is determined by DHHS to help the PWS maintain compliance with the Safe Drinking Water Act. The system last underwent a routine sanitary survey by DHHS in April of 2015, wherein no deficiencies were noted. That completed survey is the first step of the Technical, Financial, and Managerial (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, 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 (i.e., Floodplain, NRD, etc.), if necessary. 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 environmental assessment, the preliminary engineering report and other supporting data that are on file with NDEQ. The latter are available for public review upon request and the environmental assessment is attached. The NDEQ 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 Steve McNulty at 402 471-1006 or email [steve.mcnulty@nebraska.gov](mailto:steve.mcnulty@nebraska.gov) of DHHS, or John Danforth at 402 471-3373 or email [john.r.danforth@nebraska.gov](mailto:john.r.danforth@nebraska.gov) of the Water Division of NDEQ.

Signed this 2<sup>nd</sup> day of October, 2017.

Sincerely,



Jim Macy  
Director

Attachments: Environmental Assessment  
Distribution List  
Map

## ENVIRONMENTAL ASSESSMENT DOCUMENT

### A. Project Identification:

**Applicant:** City of Milford  
**Project No.:** D311373  
**City:** Milford **County:** Seward **State:** NE  
**Total Project Amount:** \$1,394,000  
**DWSRF Loan Amount:** \$1,115,200  
**DWSRF Loan Forgiveness:** \$278,800

### B. Community Description:

**Location:** Milford is located in eastern part of Nebraska, east of the intersection of State Highways 6 and 15, to the south of Interstate 80.

**Population:** The 2010 census population of Milford is 2,090.

**Current Water System Facilities:** The City's public water system (PWS) consists of six municipal wells, a 300,000 gallon water storage tower, an 112,000 gallon ground tank with a booster pump, and a distribution system. There is also chemical feed of orthophosphates and chlorine for corrosion control and disinfection, respectively.

Within the past several years, three of the wells tested above the drinking water standard for Nitrates at monitored concentrations of 12.5, 13.0 and 16.9 mg/L, and a fourth well had an elevated level of 8.83 mg/L. The supplies from each of the wells is blended with the remaining two low nitrate system wells, which are screened at greater depths, have lower pumping capacities and elevated levels of iron and manganese. The wells range in operating age from 18 to 62 years.

- C. Project Description:** In July 2015, the City's Engineer completed a preliminary engineering report that evaluated the siting of a new well with transmission main. The report recommended that the City construct a third deeper low nitrate well, to ensure that the City can adequately maintain a blended supply below the Nitrate drinking water standard of 10 mg/L. Being that all of the system's wells are near or exceed their design life, supports Milford constructing a new primary blending well for a sustainable safe water supply. Lastly, several distribution system improvements were identified which will also be constructed, including the removal of the ground storage tank, and upgrades to existing system wells to improve the efficiency of the system operation.

### D. Alternatives Considered:

Three well sites were considered by the City. The proposed well will be in the deeper Dakota Sandstone formation, re-establishing a primary blended well for the system.

Without the project, should either of the existing blending wells fail, Milford would be challenged in their ability to provide a supply of safe drinking. Even under the current supply well system, recent monitoring detected Nitrates at 10.9 mg/L from a blended point of entry into the distribution system.

**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 City will make application to the Upper Big Blue 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 the Nebraska Department of Health and Human Services (DHHS).

**Environmental:** The construction contracts will require that the contractors return the area to its original or better condition. The wellhouse will occupy a very small area of land (<1,500 square feet) and will have little, if any effect on area species. All of the land area to be impacted during construction was previously disturbed through farming or highway construction.

The proposed project was reviewed by numerous Federal and State agencies for environmental impacts. The majority were positive in that the project would either have no affect, was cleared of significant concerns, or it was noted that the project was highly unlikely to have an impact. The Department of the Army ~~noted the applicability of their Section 404 permit requirements, should it be~~ 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. Regardless, if necessary, a Section 404 permit from Department of the Army will be obtained if filling activity in the Waters of the U.S. will take place.

**Financial:** An application for a DWSRF loan has been received for \$1,394,000 to fund the system improvements. The City is eligible for a 20-year loan with an interest rate of 2% plus an administrative fee of 1%. Further, Milford qualifies for 20% of loan forgiveness per State Fiscal Year 2018 program criteria. Therefore, the projected annual DWSRF Debt Service (including 10% coverage) is estimated at \$86,863. Milford's current water rate for a typical residential connection is \$10 per month, with an additional \$1.50 use charge for every 1,000 gallons of water furnished thereafter. That equates to a water bill of \$22 per month, based on a common household water use of 8,000 gallons. With

777 active service connections, household rates may need to be raised \$9.32 to address the new debt service.

**Secondary:**

**Population Impacts:** The new well is not primarily needed for future growth, but to address concerns with existing wells that either have elevated levels of Nitrates or are almost past their design life. However, the improvements may be reasonably sized to accommodate for population growth.

**Land Use and Trends:** The location of the well is on land owned by the City, and the site has been approved by the DHHS. In addition, all new water mains will be placed below ground at depths that will not interrupt any planned practices. The Nebraska State Historical Society noted that the project will have no effect for archeological, architectural, or historic properties. The National Park Service noted a concern about potential project impact to the Welch City Park, however, none of the proposed construction will impact that area, and it will remain available for public outdoor recreation use.

**Environmental:** The proposed project will have no effect on the availability of water quantity in the area. 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 water well and main construction.

**Environmental Justice:** The project will not produce any environmental justice concerns. All structures will be placed in areas previously disturbed or on City owned property, and the services provided by the proposed project will be available to everyone in Milford, 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 when water main construction is being done along the City road right-of-ways; however, safety control 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 NDEQ 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 NDEQ. 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 October 3, 2017 to discuss the proposed project and the potential impacts to existing water rates, with 34 days advance posted notice. A detailed announcement of the scope of the project was made by the Mayor.

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

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

**Facility Planning:** Preliminary Engineering Report, City of Milford, NE, JEO Consulting Group, July, 2015

**Federal:** Department of Agriculture – NRCS, July 8, 2016, email  
Department of the Army, July 26, 2016, letter  
Department of the Interior, July 19, 2016, letter  
U.S. Fish and Wildlife Service, September 21, 2016, letter

**State:** Department of Aeronautics, July 11, 2016, email  
Department of Health and Human Services, Division of Public Health, May 12, 2016, letter  
Department of Natural Resources, August 2, 2016, email  
Nebraska State Fire Marshall, July 8, 2016, email  
Nebraska State Historical Society, July 8, 2016, letter

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**Tribal:** Pawnee Nation of Oklahoma, August 2, 2016, email

**Consulting Engineers:** JEO Consulting Group, Lincoln, NE

**Public Groups:** City of Milford Residents

**G. Positive Effects to be Realized from the Proposed Project:** The project will allow Milford to maintain compliance with the Nebraska Safe Drinking Water Act and ensure future water availability. Test hole data shows that the proposed well should meet all drinking water standards per Title 179, Regulations Governing Public Water Supply Systems. As such, the project is considered reasonable, not contrary to conservation or the public welfare and is a beneficial use of resources by the City of Milford.

**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 historical or farming, and tribal resources. All necessary permits for construction will be obtained from the appropriate agencies (e.g., NRD, etc.), if necessary.

  
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Reviewing Engineer

  
\_\_\_\_\_  
Date



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