



## DRINKING WATER STATE REVOLVING LOAN FUND PROGRAM CLEAN 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) and the Nebraska Clean Water State Revolving Fund (CWSRF) 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:	Water Distribution Improvements
APPLICANT:	City of Ainsworth
COUNTY:	Brown County
POPULATION:	1,616 (2020 Census)
DWSRF PROJECT NUMBER:	D311685
TOTAL PROJECT AMOUNT:	\$1,500,000
PROPOSED DWSRF LOAN FORGIVENESS AMOUNT:	\$675,000
PROPOSED DWSRF LOAN AMOUNT:	\$825,000

### CLEAN WATER SRF LOAN

PROJECT NAME:	Main Street Sewer Improvements
APPLICANT:	City of Ainsworth
COUNTY:	Brown County
POPULATION:	1,616 (2020 Census)
CWSRF PROJECT NUMBER:	C318064
TOTAL PROJECT AMOUNT:	\$1,540,000
PROPOSED CWSRF LOAN FORGIVENESS AMOUNT:	\$693,000
PROPOSED CWSRF LOAN AMOUNT:	\$901,000

The City of Ainsworth has applied for funding, through the DWSRF and CWSRF program administered by the NDEE, for several clean water and drinking water projects.

The City of Ainsworth will be replacing water mains and sewer mains along Main Street in coordination with the Nebraska Department of Transportation (NDOT) road project along Main Street. This will allow the main replacement project to capitalize on the planned NDOT roadwork, eliminating additional road closures and asphalt/concrete removal and replacement.

### **Drinking Water**

The Drinking Water scope of the project proposes several water main replacements. From 2<sup>nd</sup> Street to 7<sup>th</sup> Street along Main Street, existing 6 inch and 4 inch water mains will be replaced with a new 8 inch water main. From 2<sup>nd</sup> Street to South Street along Main Street, existing 6 inch and 4 inch water mains will be replaced with a new 12 inch water main. Both segments (the new 8 inch and 12 inch water mains) will tie into an existing 12 inch main on 2<sup>nd</sup> Street which currently connects both water towers, and the City's well-field. By tying in the new 8 inch and 12 inch mains to the existing 12 inch main on 2<sup>nd</sup> Street, the distribution system will provide better pressure throughout southern portions of the City, and will be adequately sized for fire flows.

The total estimated cost for the proposed drinking water project is \$1,769,000. However, the project was listed on the Project Priority Funding list in the State Fiscal Year 2023 Intended Use Plan (IUP) at \$1,500,000. 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 City is eligible for 45% DWSRF loan forgiveness, dependent on availability of funds, per criteria listed in the IUP. For an estimated cost of \$1,500,000, this would equate to a forgiveness amount of \$675,000.

The City of Ainsworth's water use fees would be pledged to repay the DWSRF loan. For a typical residential connection, the current monthly rate is \$12.50, with an added consumption charge of \$1.55 per 1000 gallons of water used, resulting in an average monthly water bill of \$20.25 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 \$37,116. Based on 904 active service connections, water rates may need to be raised approximately by an additional \$3.42 to address the new debt service on the drinking water loan. This estimate includes the noted loan forgiveness.

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 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 July 7<sup>th</sup>, 2022, wherein two (2) deficiencies were noted (both deficiencies have been addressed through corrective action). That completed survey is the first step of the Technical, Managerial and Financial (TMF) program policy. Ainsworth 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 Tracking Tool score is 0, well below the allowable 11 per issued U.S. Environmental Protection Agency guidance.

## Clean Water

The clean water scope of the project involves a primary trunk sewer replacement along the length of Main Street. The project proposes replacing the sewer along Main Street from South Street to the City's Wastewater Treatment Plant (just north of 7<sup>th</sup> Street) with a 15 inch main. This section of sewer main collects flows from the entire collection system and delivers them to the WWTP. The existing sewer is some of the oldest in the City, 60% of it does not meet required slopes, and it varies from 10 inches to 12 inches to 15 inches back to 10 inches creating a bottleneck. The replacement of this section of main will alleviate the bottleneck, provide for adequate slope in the main, and provide sufficient sizing for the City's peak wastewater flows.

The total estimated cost for the proposed clean water project is \$2,502,500. However, the project was listed on the Project Priority Funding list in the State Fiscal Year 2023 Intended Use Plan (IUP) at \$1,540,000. 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 City is eligible for 45% DWSRF loan forgiveness, dependent on availability of funds, per criteria listed in the IUP. For an estimated cost of \$1,540,000, this would equate to a forgiveness amount of \$693,000.

The City of Ainsworth's sewer fees would be pledged to repay the DWSRF loan. For a typical residential connection, the current monthly rate is \$31 per month, with an added charge of \$2.30 per 1000 gallons, resulting in an average monthly sewer bill of \$42.50 for a typical 5,000-gallon monthly household sewer use. The long-term average annual CWSRF Debt Service (including 10% coverage, and interest and admin payments) would be \$38,105. Based on 904 active service connections, sewer rates may need to be raised by an additional \$3.51 to address the new debt service. This estimate includes the noted loan forgiveness.

### Categorical Exclusion Justification for Clean Water and 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;
- 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](mailto:ndee.srf@nebraska.gov). Should additional funding become available, the amounts applied for by the City of Ainsworth may be provided in full.

Signed this 31<sup>st</sup> day of October, 2022.

Sincerely,



Sarah Starostka,  
Administrator  
Planning and Aid Division

Attachments:      Distribution List  
                             Maps

CATEGORICAL EXCLUSION DISTRIBUTION LIST  
CITY OF AINSWORTH

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Office of Public Affairs  
P.O. Box 98922  
Lincoln, NE 68509-8922

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NEBRASKA GAME & PARKS COMMISSION

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Lenexa, KS 66219

STATE CONSERVATIONIST

Natural Resources Conservation Service  
Wayne Vanek  
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  
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Omaha, NE 68138-3621

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Ainsworth, NE 69210

CONSULTING ENGINEER:

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Holdrege, NE 68949

LOCAL NEWSPAPER:

Ainsworth Star-Journal  
921 E 4<sup>th</sup> Street  
PO BOX 145  
Ainsworth, NE 69210

(Public Information Only not for Public Notice)

NATURAL RESOURCES DISTRICT:

Middle Republican Natural Resources District  
208 Center Avenue  
P.O. Box 81Curtis, NE 69025



# Maps

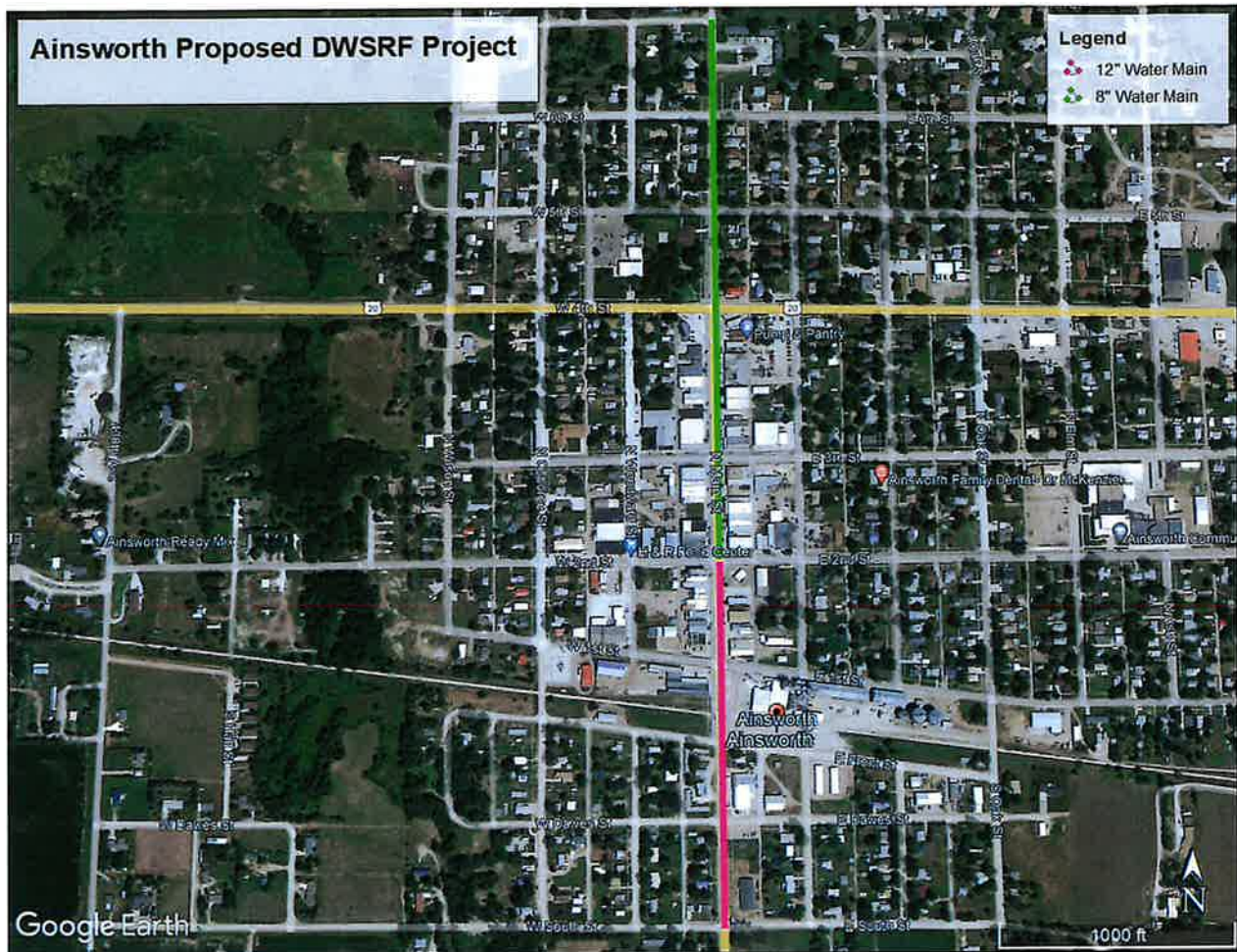


Figure 1 – Approximate Location of City of Ainsworth’s Proposed 8 Inch (green) and 12 Inch (purple) Water Main Replacements





Figure 2 – Approximate Location of City of Ainsworth’s Proposed 15 Inch Sewer Main Replacement