



Dave Heineman
Governor

STATE OF NEBRASKA

DEPARTMENT OF ENVIRONMENTAL QUALITY
Patrick W. Rice

Acting Director

Suite 400, The Atrium

1200 'N' Street

P.O. Box 98922

Lincoln, Nebraska 68509-8922

Phone (402) 471-2186

FAX (402) 471-2909

website: <http://deq.ne.gov>

CLEAN WATER STATE REVOLVING LOAN FUND PROGRAM

CATEGORICAL EXCLUSION

TO: All Interested Citizens, Government Agencies and Public Groups

In accordance with the Nebraska Clean 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 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 Environmental Quality (NDEQ) encourages public input in this decision-making process.

PROJECT NAME: Biosolids Treatment at Existing Wastewater Treatment Plant
APPLICANT: Wayne, Nebraska
COUNTY: Wayne County
POPULATION: 5630
CWSRF PROJECT NUMBER: C317032
TOTAL PROJECT AMOUNT: \$1,975,925
ESTIMATED CWSRF LOAN AMOUNT: \$1,938,650
POTENTIAL PRINCIPAL FORGIVENESS: \$100,000

Wayne, Nebraska is the county seat of Wayne County. The 2010 census population of Wayne is 5630.

The City of Wayne constructed a new Wastewater Treatment Facility (WWTF) in 2011 that included the Aquarius multi-stage activated sludge biological process, which has resulted in the production of biosolids. The final clarification process is still needed to maintain adequate performance and produce acceptable effluent. Biosolids are pumped from the final clarifiers to an existing 0.25-acre aerated lagoon. Partially digested biosolids overflow from the aerated lagoon to an existing 29-acre facultative lagoon. In order to comply with USEPA regulations, the City removes biosolids from the facultative cell and land applies the biosolids every two years. In 2012, the City spent \$175,000 to remove and dispose off sludge from the lagoons. The aerated lagoon, which has been used to treat sludge since 1983, is in poor condition, and in need of repair.

The proposed project consists of the construction of an aerobic digester with two tanks that have a storage capacity of 90 days. The digester will be fitted with two tri-lobe positive displacement blowers, piping and appurtances. Decanted sludge will be pumped to a Belt Filter Press to dewater the biosolids. The Belt Filter Press along with a pump to feed the biosolids, and a polymer feed system will be housed in a building. Since the mechanical dewatering equipment will be in a building, dewatering can take place all year round and only 90 days of storage will be necessary in the digester. The proposed improvements will provide the City with a stable class B sludge that can be applied to agricultural fields or can be disposed in a landfill and will also result in cost savings in Operation and Maintenance (O&M). With the proposed improvements, the City will comply with USEPA regulations for treatment and disposal of

biosolids. The existing lagoons will be decommissioned; eliminating annual odor complaints and will eliminate the need for significant biennial sludge removal activities and associated costs. Construction of the proposed improvements will take place within the fence line of the existing WWTF. Direct and indirect impacts to floodplains, wetlands, prime farmland, endangered species and historic resources are not anticipated.

The City has applied for financial assistance to build the project through the Clean Water State Revolving Fund (CWSRF) loan program. The project is eligible for financing through the CWSRF and is listed on the Appendix B list of the FY2015 Intended Use Plan. Wayne is eligible for a 20-year CWSRF loan at the current program interest rate of 1.5 percent. In addition to principal and interest payments, an administrative fee of 1 percent on the outstanding principal balance would be assessed each year. Revenues from the current sewer use fees will be used to repay the CWSRF loan. Wayne's median household income is \$40,029, which qualifies Wayne for 50 percent CWSRF loan forgiveness capped at \$100,000. Forgiveness funds are dependent on availability at the time of loan closing.

The City serves 1893 sewer use customers. The current average residential sewer use fee is \$28.54 per month. An estimated rate increase of 10% is needed to support the debt service due to this project, the existing debt service, and the existing operation and maintenance costs of the sewer utility. This will result in an average residential sewer use fee of \$31.40/month.

The proposed project was reviewed for eligibility for a categorical exclusion from 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. The projects as proposed will serve proposed subdivisions. 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 floodplains, prime farmland, wild and scenic rivers, and significant fish or wildlife habitat;
- 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 Indian tribe approved land use plans or federal land management plans; and
- The proposed action is not known or expected to cause significant public controversy.

The NDEQ 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 NDEQ. 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 Gautam Bhadbhade, P.E, Environmental Engineer, of the Technical Assistance Section of NDEQ, who can be reached at (402) 471-4207 or email: gautam.bhadbhade@nebraska.gov

Signed this 27th day of October, 2014.

Sincerely,

A handwritten signature in cursive script that reads "Patrick Rice". The signature is written in black ink and is positioned above the printed name and title.

Patrick Rice
Acting Director

Attachments: Distribution List
Maps

FONSI DISTRIBUTION LIST

Wayne, NEBRASKA

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P.O. Box 98922
Lincoln, NE 68509-8922

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P.O. Box 95026
Lincoln, NE 68509-5026

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Mitch Paine
P.O. Box 94676
Lincoln, NE 68509-4676

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HISTORICAL SOCIETY
P.O. Box 82554
Lincoln, NE 68508-2554

STATE OFFICE OF POLICY RESEARCH
Mark Matulka
Rm 319, State Capitol
P.O. Box 94601
Lincoln, NE 68509-4601

DEPARTMENT OF ECONOMIC DEVELOPMENT
Carol Malcolm
P.O. Box 94666
Lincoln, NE 68509

DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
Michael George
203 West 2nd Street
Grand Island, NE 68801

NATIONAL PARK SERVICE
Nick Chevance
Environmental Coordinator
Midwest Regional Office
601 Riverfront Drive
Omaha, NE 68102-4226

LOWER ELKHORN NRD
Stan Staab, Manager
P.O. Box 1204
Norfolk, NE 68702-1204

USDA RURAL DEVELOPMENT
Ken Shaw
Room 308, Federal Building
100 Centennial Mall North
Lincoln, NE 68508

ENVIRONMENTAL PROTECTION AGENCY
Christopher Simmons
11201 Renner Blvd
Lenexa, KS 66219

STATE CONSERVATIONIST
Natural Resources Conservation Service
Federal Building, Room 345
100 Centennial Mall North
Lincoln, NE 68508

DEPARTMENT OF THE ARMY
Eric Laux
Acting Chief Environmental Resources
US Army Corps of Engineers
Omaha District
1616 Capitol Avenue
Omaha, NE 68102-4901

DEPARTMENT OF THE ARMY
Corps of Engineers,
2214 2nd Avenue
Kearney, NE 68847-5315

APPLICANT
Lowell Johnson, City Administrator
PO Box 8
306 Pearl Street
Wayne, NE 68787-0008

ENGINEER
Roger Protzman, PE
JEO Consulting Group
P.O. Box 1424
Norfolk, NE 68702-1424

LOCAL NEWSPAPER
Wayne Herald
114 Main Street
Wayne, NE 68787

Figure 2-3: Alternate A – Mechanical Dewatering Site Plan

