



CLEAN WATER STATE REVOLVING LOAN FUND PROGRAM (CWSRF)

FINDING OF NO SIGNIFICANT IMPACT

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 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: Collection System Improvements
Grand Island, Nebraska
APPLICANT: City of Grand Island
COUNTY: Hall County
POPULATION: 49,500
CWSRF PROJECT NUMBER: C317990
TOTAL PROJECT AMOUNT: \$8,563,550
ESTIMATED CWSRF LOAN AMOUNT: \$6,473,500

The city of Grand Island is making improvements in their wastewater collection system to replace aging infrastructure, facilitate growth, and eliminate substandard onsite treatment systems. The City has applied for a Clean Water State Revolving Fund (CWSRF) loan to assist in funding these improvements.

Grand Island is located in central Nebraska approximately three miles north of Interstate 80 and the Platte River. The 2012 census population of the City was 49,500. The project area encompasses the City limits.

Grand Island collects and treats approximately 10.1 million gallons of wastewater each day from about 14,629 residences and 2450 businesses. Their sanitary sewer collection system consists of about 226 miles of sewer mains and 14 lift stations. Their wastewater treatment facility is an activated sludge system that is performing well, and it is meeting discharge permit limits. The City has considerable spare treatment capacity as their largest industrial customer recently installed new pre-treatment facilities that reduced the loading on the City's treatment plant.

Effluent from the Grand Island wastewater treatment system is discharged to the Grand Island Utilities Ditch, Segment MP2-10100 of the Middle Platte River Basin. This segment is protected for Class A warm water aquatic life, Class A agricultural use and aesthetics. There is insufficient water quality data to determine if any of these beneficial uses are being impaired.

The Grand Island sanitary sewer system is in need of improvements to renovate aged and dilapidated sewers, increase capacity, and extend the system to serve outlying areas. The single-cell lagoon treatment system operated by West Park Plaza Trailer community is substandard. The Department of Environmental Quality (NDEQ) has issued an Administrative Order to the Trailer community to remedy deficiencies of their lagoon system. Lift Station No. 11 has ongoing maintenance and capacity issues. The collection system serving the Airport has significant deficiencies and is in need of repair and or replacement.

Improvements to Grand Island's sanitary sewer system include repairs or replacement of sewer mains, with some pipe upsizing, realignment, extensions, and replacement of a lift station with a new force main. The work to be funded with the proposed loan includes replacement of Lift Station No. 11 and the construction of 6-inch force main. Construction of sanitary sewer extension from West Stolley Road to the south and west will provide sewer service to West Park Plaza businesses and the West Park Plaza Trailer community. Work is also proposed at the Airport where existing sewers and lift stations will either be repaired or replaced.

The project is eligible for financing through the Clean Water State Revolving Fund (CWSRF) and is included in the FY2018 Intended Use Plan (IUP). A portion of the proposed project, qualifies as a Green Project. As a result of the elimination of two private lift stations, the city of Grand Island will save an estimated \$3,500/year for the next 50-80 years. As per procedures outlined in the 2018 IUP, the Green portions of the project costs qualify for an interest rate of 1.25%. The remaining project

costs qualify for an interest rate of 1.50%. The City of Grand Island is eligible for a 20-year loan at an interest rate of 1.36% (weighted average). In addition to principal and interest payments, an administrative fee of 0.5 percent of the loan balance would be assessed on each semi-annual repayment.

Wastewater treatment revenues, including sewer tap fees and sewer use charges, will be dedicated to repay the loan. Grand Island's sewer rates have been adjusted annually. Residential customers currently pay \$34.50 per month for service based on an estimated water use of 5,580 gallons per month during the winter quarter. This rate which was effective on October 1, 2016 is expected to pay for the operation and maintenance of the sewer utility as well as pay for the debt service as a result of the proposed loan and all other outstanding CWSRF loans. The City will establish a sewer tap district to assess the costs of the sewer line to properties within the City as they are developed and connect to the sewer.

Grand Island's collection and treatment issues have received considerable public exposure in the last few years. They have been the subject of numerous newspaper articles and city council meeting discussions. At least six studies have been ordered and were conducted by consulting engineers. A public hearing to discuss the proposed projects was held on June 27, 2017. There was no opposition to the project expressed at the public hearing. Appropriate state and federal agencies were asked to comment on the project.

The projects will improve wastewater collection in Grand Island by reducing inflow and infiltration (I/I). With reduced I/I, potential health hazards from sewer backups and sanitary sewer overflows are reduced, and wastewater treatment costs are reduced with reduced flows going to the treatment plant. In addition, the project eliminates a failing community, West Park Trailer Park, onsite wastewater treatment system and several individual septic systems and leach fields some of which have been installed too close to the groundwater table.

The review did not indicate a significant environmental impact will result from the proposed action. Little or no farmland is being taken out of production by construction of this project. The project will promote development and thus indirectly result in land use changes. Portions of the project are located in the flood plain but it will have no direct impact on flood flows. No adverse impacts to critical habitats are anticipated. Timing of construction will be addressed in the project specifications to minimize impacts to endangered species. No known historical or archaeological sites will be impacted. The project is planned to ensure that no segment of the community's population is impacted

disproportionately from related effects. 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 engineering reports, agency comment letters, environmental assessment and other supporting data, which are on file in the office of the Nebraska Department of Environmental Quality (NDEQ). These are available for public review upon request. A copy of 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 disagreeing with the above environmental decision may submit comments to the NDEQ during this period.

Signed this 20th day of July, 2017.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Macy", is written over the typed name and title.

Jim Macy
Director

JM/gmb

Attachments: Environmental Assessment
 Distribution List
 Maps