



## DRINKING 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 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 Environmental Quality (NDEQ) encourages public input in this decision-making process.

PROJECT NAME: Replacement Wells – Casing and Screen Only  
APPLICANT: Village of Wauneta  
COUNTY: Wauneta  
POPULATION: 577  
DWSRF PROJECT NUMBER: D311624  
TOTAL LOAN AMOUNT: \$200,000  
FORGIVENESS AMOUNT: \$50,000

The Village of Wauneta has applied for funding, through the Drinking Water State Revolving Fund (DWSRF) program jointly administered by the Nebraska Department of Health and Human Services-Division of Public Health (DHHS) and the NDEQ, to begin the replacement of its water source, through the drilling of two new water supply wells just north or south of the Village limits. The Village is under an Administrative Order issued by DHHS to return into compliance with the arsenic drinking water standard. This project phase will develop a new water source for water quality testing and thus allow the community to make a decision as to whether treatment to remove arsenic will be required with the final project phase. Funding will also be provided for test well development.

According to the Priority Ranking System this project is considered to be a high priority and was included on the Planning List in the State Fiscal Year 2018 Intended Use Plan (IUP). The project can be funded in accordance with the IUP's listed bypass criteria, as the bypass date of October 1, 2017 has passed. Based on supporting documentation on file with the NDEQ, this project was determined to be eligible for a 20-year loan at an interest rate of 2.0% per the criteria listed in the IUP. In addition to principal and interest, an administrative fee of 0.5% of the loan balance will be assessed. Wauneta is also eligible for forgiveness assistance capped at 25% of project costs, based upon the project addressing a public health concern. The current residential water rate is \$16.20 plus \$1.40 for every 1,000 gallons of water used. The projected annual DWSRF

Debt Service (including 10% coverage) is \$10,867. Based upon the 331 active service connections, residential water rates may need to be raised \$2.75 per month to address the new debt service; however, a final assessment of any potential rate increase would be made by the Village after the project completion.

The proposed project was reviewed for eligibility for a categorical exclusion from the 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 project as proposed is solely the replacement of existing infrastructure. 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, 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 flood plain; and
- 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.

The Village 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 DHHS to help the public water system begin to return to compliance with the Safe Drinking Water Act. The infrastructure investment in replacing water supply wells is in line with the stated goals of the U.S. Environmental Protection Agency's Drinking Water Infrastructure Sustainability Policy. The system last underwent a routine sanitary survey by DHHS in July of 2017, wherein three deficiencies were noted, which were addressed by September 29, 2017. That completed survey is the first step of the Technical, Financial, and Managerial (TFM) program policy. The Village 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.

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. Lastly, should the DWSRF fund the final project phase, an additional level of environmental review will be performed based upon a final project scope. Persons having a comment on this categorical exclusion determination are encouraged to submit such comments directly to Steve McNulty, DHHS at 402 471-1006 or email [steve.mcnulty@nebraska.gov](mailto:steve.mcnulty@nebraska.gov), or John Danforth, Water Permits Division of NDEQ at 402 471-3373 or email [john.r.danforth@nebraska.gov](mailto:john.r.danforth@nebraska.gov).

Signed this 9<sup>th</sup> day of February, 2018.

Sincerely,  
  
Jim Macy  
Director

Attachments:      Distribution List  
                                 Map

CATEGORICAL EXCLUSION DISTRIBUTION LIST  
VILLAGE OF WAUNETA

DEPARTMENT OF ENVIRONMENTAL QUALITY  
Office of Public Affairs  
P.O. Box 98922  
Lincoln, NE 68509-8922

DEPARTMENT OF HEALTH AND HUMAN  
SERVICES – DIVISION OF PUBLIC HEALTH  
Steve McNulty  
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NEBRASKA GAME & PARKS COMMISSION  
Schuyler Sampson /Carey Grell  
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DIRECTOR, NEBRASKA STATE  
HISTORICAL SOCIETY  
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DEPARTMENT OF ECONOMIC DEVELOPMENT  
Abigail Anderson  
P.O. Box 94666  
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FISH AND WILDLIFE SERVICE  
Eliza Hines  
9325 B South Alda Road  
Wood River, NE 68883-9565

LOCAL NEWSPAPER (Public Information Only)  
The Wauneta Breeze  
PO Box 377  
Wauneta, NE 69045-0377

CONSULTING ENGINEER  
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109 East 2<sup>nd</sup> Street  
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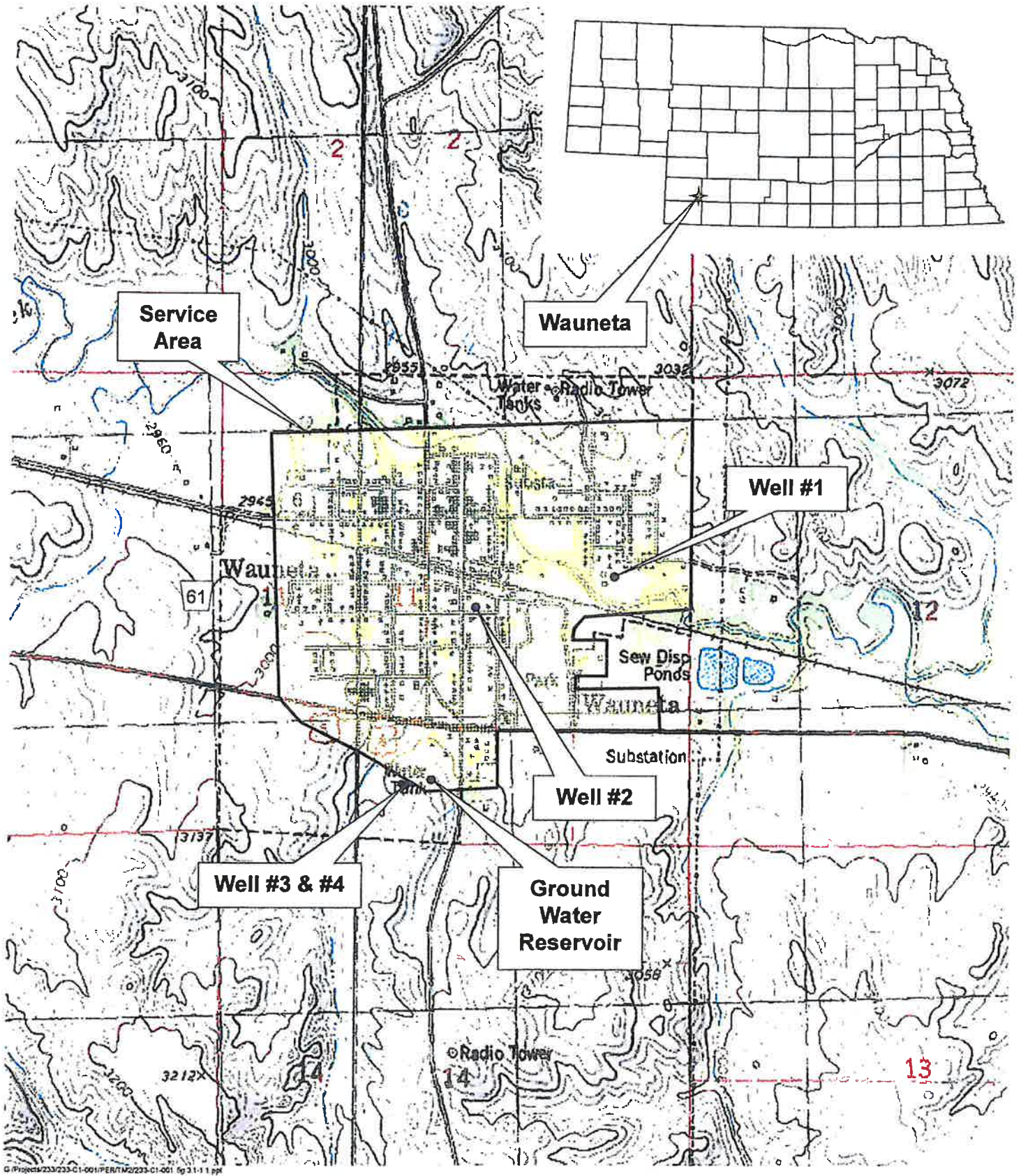
USDA RURAL DEVELOPMENT  
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100 Centennial Mall North  
Lincoln, NE 68508

DEPARTMENT OF THE ARMY  
John Moeschen  
State Program Manager  
US Army corps of Engineers  
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ENVIRONMENTAL PROTECTION AGENCY  
Chris Simmons/Kelly Beard-Tittone  
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*Mail Code: WWPDWIMB*  
Lenexa, KS 66219

STATE CONSERVATIONIST  
Soil Conservation Service  
Federal Building, Room 345  
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Lincoln, NE 68508

APPLICANT  
Tony Cribelli, Board Chairman  
Village of Wauneta  
PO Box 95  
Wauneta, Nebraska 69045-0095



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**Figure 1U**  
**Location Map & Service Area**  
 Wauneta, Nebraska