**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 (DWSRF) 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.

<table>
<thead>
<tr>
<th>PROJECT NAME:</th>
<th>2022 Water Distribution Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>APPLICANT:</td>
<td>Village of Duncan</td>
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<tr>
<td>COUNTY:</td>
<td>Platte County</td>
</tr>
<tr>
<td>POPULATION:</td>
<td>392 (2020 Census)</td>
</tr>
<tr>
<td>DWSRF PROJECT NUMBER:</td>
<td>D311694</td>
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<tr>
<td>TOTAL PROJECT AMOUNT:</td>
<td>$1,208,000</td>
</tr>
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<td>ARPA FUNDING:</td>
<td>$500,000</td>
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<tr>
<td>PROPOSED DWSRF LOAN FORGIVENESS AMOUNT:</td>
<td>$389,400</td>
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<tr>
<td>PROPOSED DWSRF LOAN AMOUNT:</td>
<td>$318,600</td>
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The Village of Duncan has applied for funding, through the DWSRF program administered by the NDEE, for several distribution system improvement projects.

The first project involves installing a 6" PVC water main from the south end of Vernon Lane to the corner of 13th Street and 10th Avenue. This loop will connect an existing 4" line to an existing 6" line which will alleviate stagnant water by eliminating a dead end and add redundancy.

The second project involves installing a 6" PVC water main from the west end of 10th Street, over and down to 8th Street. This loop will connect two existing 6" water mains which will allow for future services in the area, add redundancy, and provide a secondary route to West 8th Street.

The third project involves installing an 8" PVC water main loop from the 6" water main at Main Avenue along Bumpy Road to North Boulevard, and then South underneath Highway 30 to connect to the 6" water main at 6th Street and 5th Avenue. Currently, this area is serviced by a 2" water main and has three separate dead ends. The proposed design will alleviate two dead ends and allow for a higher flow rate to the existing fire hydrants on North Boulevard through the 8" pipe. The proposed design will also provide a vital...
service across Highway 30 and the railroad in case the existing one fails. It will also replace an existing portion of 6" water main on 5th Avenue that is stubbed north of 6th Street that has a history of breaks.

The fourth project involves installing an 8" water main from the Northeast corner of the third project (at the end of Bumpy Road), parallel to 158th Street, up to the end of the existing water main. Currently, this area is serviced by a 2" water main. The proposed design will allow for a higher flow rate of water and be adequately sized for fire protection.

The total estimated cost for all proposed projects is $1,208,000. The Village of Duncan has secured an ARPA grant for $500,000 which will be put towards the cost of the project in addition to what is provided through the SRF. This project was listed on the Project Priority Funding list in the State Fiscal Year 2023 Intended Use Plan (IUP). 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 Village is eligible for 55% DWSRF loan forgiveness, dependent on availability of funds, per criteria listed in the IUP. For an estimated cost of $708,000 (total cost of $1,208,000 less the $500,000 in ARPA grants), this would equate to a forgiveness amount of $389,400.

The Village of Duncan’s water use fees would be pledged to repay the DWSRF loan. For a typical residential connection, the current monthly rate is $24 per month, with an added consumption charge of $2.00 per 1000 gallons of water used, resulting in an average monthly water bill of $34.00 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 $14,333. Based on 170 active service connections, residential water rates may need to be raised approximately by an additional $7.03 to address the new debt service. This estimate includes the 55% loan forgiveness.

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 NDEE to help the public water system maintain compliance with the Safe Drinking Water Act. The system last underwent a routine sanitary survey in June of 2021, wherein no deficiencies were found. That completed survey is the first step of the Technical, Financial, and Managerial (TFM) program policy. Duncan 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 Enforcement Targeting Tool score is 0, below the allowable 11 per issued U.S. Environmental Protection Agency guidance.

The proposed project was 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 such 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; it is not primarily needed for future growth and is supported by a State growth strategy; 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 Ben Everswick, Engineering Section, NDEE at 402-471-4697 or email ben.everswick@nebraska.gov, or Lisa Giesbrecht, State Revolving Fund Section, NDEE at 402-471-3671 or email lisa.giesbrecht@nebraska.gov.

Signed this 19th day of September, 2022.

Sincerely,

Sarah Starostka,
Administrator
Planning and Aid Division

Attachments: Distribution List
Map
CATEGORICAL EXCLUSION DISTRIBUTION LIST
VILLAGE OF DUNCAN

DEPARTMENT OF ENVIRONMENT & ENERGY
Office of Public Affairs
P.O. Box 98922
Lincoln, NE 68509-8922

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Schuyler Sampson
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Lincoln, NE 68503-0370

DIRECTOR, NEBRASKA STATE HISTORICAL SOCIETY
Jill Dolberg
P.O. Box 82554
Lincoln, NE 68508-2554

STATE OFFICE OF POLICY RESEARCH
Cheryl Wolff
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Lincoln, NE 68509-4601

DEPARTMENT OF ECONOMIC DEVELOPMENT
Aaron Boucher
245 Fallbrook Blvd, Ste. 002
Lincoln, NE 68509

DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
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NATIONAL PARK SERVICE
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Environmental Coordinator
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USDA RURAL DEVELOPMENT
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Room 308, Federal Building
100 Centennial Mall North
Lincoln, NE 68508

ENVIRONMENTAL PROTECTION AGENCY
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Mail Code: WWPDWIMB
Lenexa, KS 66219

STATE CONSERVATIONIST
Natural Resources Conservation Service
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100 Centennial Mall North
Lincoln, NE 68508-3866

DEPARTMENT OF THE ARMY
John Moeschen
State Program Manager
US Army Corps of Engineers
Nebraska State Office, Suite 1
8901 South 154th Street
Omaha, NE 68138-3621

APPLICANT:
Mari Evans, Village Clerk
Village of Duncan
906 8th Street, PO Box 254
Duncan, NE 68634-0254

CONSULTING ENGINEER:
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308 W. 3rd Street, Ste. 1
Grand Island, NE 68801-5941

LOCAL NEWSPAPER:
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Columbus, NE 68601-5656

(Public Information Only not for Public Notice)

NATURAL RESOURCES DISTRICT:
Middle Republican Natural Resources District
208 Center Avenue
P.O. Box 81Curtis, NE 69025
Figure 1. Approximate Locations of Village of Duncan’s Distribution Improvements Projects