

DEPT. OF ENVIRONMENTAL QUALITY



DRINKING WATER STATE REVOLVING LOAN FUND PROGRAM

AMENDMENT OF A FINDING OF NO SIGNIFICANT IMPACT DATED JULY 1, 2013

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, 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: New Well with Transmission and Distribution System Improvements, Water

Tower Repaint

City of Ogallala, Nebraska

DWSRF PROJECT NUMBER: D311616

DWSRF LOAN PRINCIPAL AMOUNT: \$1,741,347
DWSRF LOAN FORGIVENESS AMOUNT: \$435,337
TOTAL PROJECT/DWSRF FUNDING AMOUNT: \$2,176,684

This amendment is being issued to supplement a previous Nebraska Department of Environmental Quality (NDEQ) Finding of No Significant Impact (FNSI) decision of July 1, 2013, in order to proceed in funding a second phase of construction, consisting of a **second new south well for Ogallala's Public Water System (PWS)**. The City of Ogallala has applied for funding for the above-referenced project 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. This project has Ogallala ranked as a high priority and is included on the Funding List in the DWSRF State Fiscal Year 2018 Intended Use Plan. Based on supporting documentation on file with the NDEQ, the City was determined to be eligible for a DWSRF loan with corresponding loan forgiveness capped at 20% of project costs.

Ogallala is located in the western part of Nebraska, situated along Interstate 80 to the south of Lake McConaughy. The community has a population of 4,737 according to the 2010 census. Ogallala has been issued a permit to operate a PWS under the provisions of the Nebraska Safe Drinking Water Act and Nebraska Title 179 Regulations Governing Public Water Supply Systems.

In April 2013, a Preliminary Engineering Report was completed by the City's Engineer. The PWS consists of multiple municipal supply wells, two elevated water storage towers (north-500,000 gallons and south-200,000 gallons), a 500,000 Gallon capacity central ground level tank and a distribution system, which has two different pressure zones (north and south). The south pressure zone has one active well and one well that has been placed on emergency use only status. This is due to pumping sand as well as having nitrates detected above the maximum contaminant level (10 mg/L), with concentrations ranging up to 12 mg/L. Therefore, the north pressure zone must provide the majority of the water supply to the south, which is further complicated by certain north wells that cannot operate simultaneously due to mutual well interference.

An initial project phase was recently built constructing a new well with transmission main to serve the south side of the city. Now, with an established groundwater supply that has a supply with low nitrates, a second well site has been approved by the DHHS, with both acceptable water quality and quantity anticipated. This second well will establish a backup source for the south pressure zone, with the transmission main and any associated distribution system improvements being reasonably sized for both future growth and to allow for future replacement of any of the north wells in the southern groundwater production area. Replacing the wells to the north of the city is not recommended due to the noted pumping interference issue. The North Tower will be repainted based on recent inspection findings and additional areas have been identified for the replacement of distribution mains.

In addition to the water system study, the Consultant has also prepared an Environmental Report. The proposed project was reviewed by federal and state agencies for impacts. The majority of responses indicated that the project would have no effect on the environment, and was cleared of any significant concerns or issues, or was subject to typical permitting requirements (i.e., Well Registration, Construction Stormwater, etc.). The proposed well is located in Nebraska's Platte River valley. As noted by the U.S. Fish and Wildlife Service, in 2006, the governors of Colorado, Nebraska, and Wyoming, and the U.S. Secretary of the Interior signed an agreement to implement a basin-wide Platte River Recovery Implementation Program. The program allows each of the states to review, manage, and require offsets for future Platte River flow depletions under their New Depletions Plan. Nebraska's plan became effective January 1, 2007 and the Twin Platte Natural Resources District (TPNRD) became responsible for administering all regulatory requirements for the Ogallala project. The TPNRD issued a letter that the project improvements will be covered under the New Depletions Plan, in that any new or expanded ground water use will be offset by either the TPNRD or the City of Ogallala. The Department of Natural Resources noted that the proposed well is in the 100 year flood plain. The well house will be constructed above grade and the new well house floor will be built 1 foot above the 100 year flood plain elevation of 3285 ft and the Engineer will file for a flood plain permit with Ken Knoepfel, Flood Plain Administer.

Ogallala is eligible for a 20-year loan at a per annum interest rate of 2% on 80% of the estimated project costs (i.e., 20% will be forgiven). In addition to principal and interest payments, an administrative fee of 1 % of the principal loan balance will be assessed each year. The revenues from Ogallala's water utility will be dedicated to repay the loan. The projected annual DWSRF debt service (including 10% coverage) is \$135,633. Ogallala's current water rate for a typical residential connection is \$18 per month, with a consumptive use charge of \$1.65 per every 1,000 gallons used, which for a

typical 8,000 gallon monthly household water use totals \$31.20 per month. Based on 2,169 service connections, monthly household rates may need to be raised to approximately \$5.20 per month for the projected debt repayment. This coupled with the projected \$6.50 debt service increase from the first project phase, could result in water rates of \$38 per month for the average residential user.

A public hearing, with 51 days advance posted notice, was held on October 10, 2017, by the City Council addressing the proposed project noted in the Preliminary Engineering Report and potential impact to water rates. The engineer gave a presentation on the scope of the proposed project. There were no comments received from city residents in attendance and no other input was received from the public.

The proposed project is determined by DHHS to help the City maintain compliance drinking water standards. The system last underwent a routine sanitary survey in October of 2016, wherein three deficiencies were noted and all have been resolved. The completed survey is the first step of the Technical, Financial, and Managerial (TFM) program policy. The city 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, which is below the allowable score of 11 issued by U.S. Environmental Protection Agency guidance. No significant environmental impacts have been identified that would result from the proposed project. All necessary permits for construction will be obtained from the appropriate agencies (e.g., NDEQ, etc.). 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 Environmental Report, the Preliminary Engineering Report and other supporting data that are on file with NDEQ and are available for public review upon request. The NDEQ will not take any administrative action for at least 30 calendar days from the date shown below. Persons having a comment on this determination are encouraged to submit directly to Steve McNulty at 402 471-1006 or email steve.mcnulty@nebraska.gov of Nebraska Department of Health and Human Services, or John Danforth 402 471-3373 or email john.r.danforth@nebraska.gov of the Water Division of NDEQ.

Signed this

day of

2017.

m Macv

Sincerely,

rector

Attachments:

Distribution List

Maps

FNSI DISTRIBUTION LIST OGALLALA, NEBRASKA

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Ken Shaw

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John Moeschen

State Program Manager US Army corps of Engineers Nebraska State Office, Suite 1

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Omaha. NE 68138-3621

APPLICANT:

Harold Peterson, Mayor

City of Ogallala

411 East 2nd Street

Ogallala, NE 69153

CONSULTING ENGINEER:

Thomas Werblow, P.E.

T.C. Engineering, Inc.

One South Sycamore Street

North Platte, NE 69103-0832

LOCAL NEWSPAPER

(Public Information Only not for Public Notice)

Keith County News

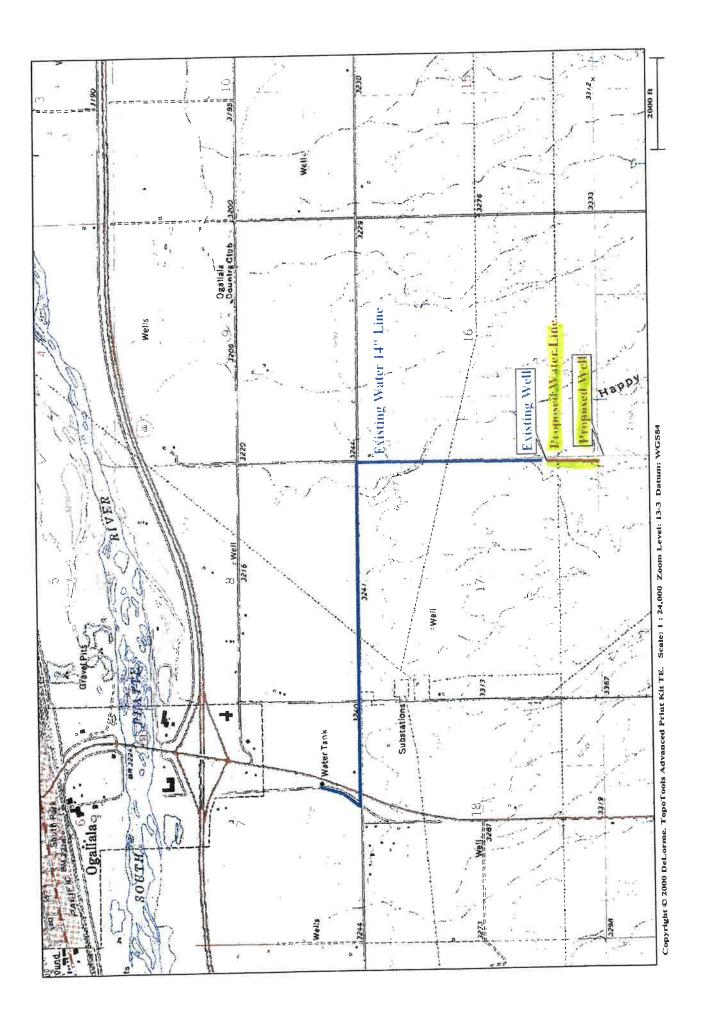
PO Box 359

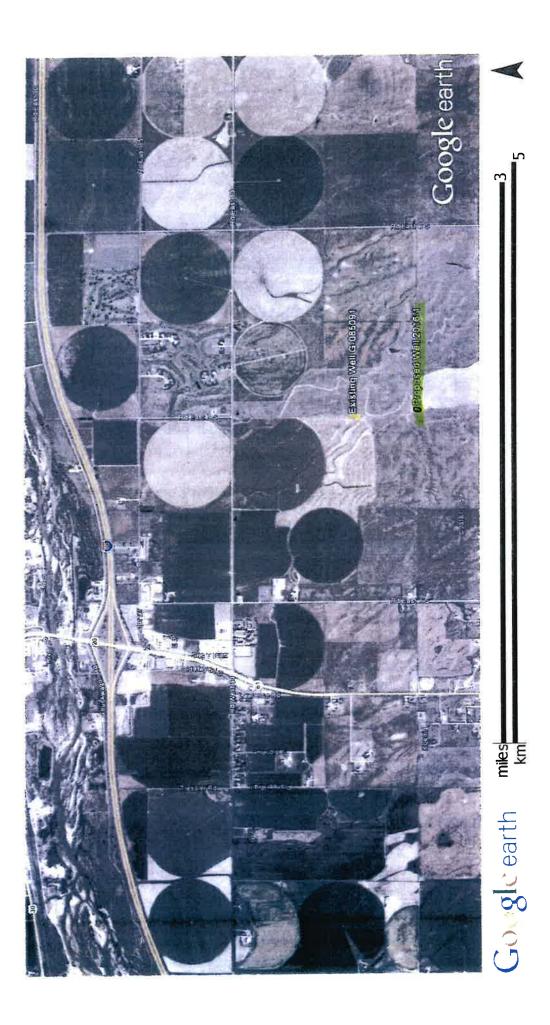
Ogallala, NE 69153-0359

TWIN PLATTE NATURAL RESOURCE DISTRICT

Anne Dimmitt, IMP Coordinator 111 South Dewey Street, 2nd Floor

North Platte, NE 69103-1347





Base Flood Elevation Determination Section 17-13-38W, City of Ogallala, Nebraska

Valid: August 6, 2013 to August 6, 2018 (Effective FIRM dated: 9/30/05)



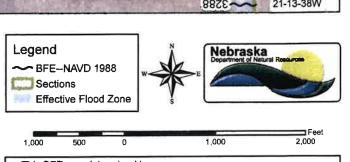
Use and Limitations

The Base Flood Elevation (BFE) is defined as the calculated water surface elevation during a flood with a 1% annual probability of being equaled or exceeded in any given year.

If a structure is located on one of the BFE contour lines, use the elevation associated with the line. For structures between two contour lines, use the higher value. Please note that contours are referenced to NAVD 1988. Elevations of unlabeled contours continue in a consistent pattern, and may be estimated from labeled contours nearby. Elevations in areas with an effective detailed study are for reference only; the official elevation should be determined from the published profile.

This determination may be used for floodplain management or permitting. For design of developments within the floodplain, the Nebraska Department of Natural Resources (NDNR) recommends that a professional engineer perform a site-specific analysis. NDNR provides floodplain information from best available data to other units of government based on authority from Nebraska state statutes.

The BFEs shown on this map are valid only for the dates listed above and may be superseded at any time if better data becomes available.



This BFE was determined by:

Katis Fingland

Digitally signed by Katle Ringland, PE, CFM
DN: cn=Katle Ringland, PE, CFM, o=Nebraska Department
of Natural Resources, ou=Floodplain Management,
email=Katle Ringland@enberska.gov, c=US
Date: 2013.08.14 1055:05-05'00'

well

Katie Ringland, P.E., CFM (402) 471-2094, Katie.Ringland@nebraska.gov Nebraska Dept. Natural Res., P.O. Box 94676, Lincoln, NE 68509