



## 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 encourages public input in this decision-making process.

PROJECT NAME: Lagoon Rehabilitation & Lift Stations Construction

APPLICANT: Lynch, Nebraska

COUNTY: Boyd County

POPULATION: 245

CWSRF PROJECT NUMBER: C317993

TOTAL PROJECT AMOUNT: \$1,072,700

ESTIMATED CWSRF LOAN AMOUNT: \$572,700

PRINCIPAL FORGIVENESS: \$100,000

SMALL TOWN GRANT \$250,000

POTENTIAL CDBG GRANT \$250,000

Lynch, Nebraska is located in Boyd County. The 2010 census population of Lynch is 245. The Village of Lynch is served by a collection system, originally constructed in 1966, which consists of 13,400 feet of 6-inch VCP, and 4,500 feet 8-inch VCP sewer mains, 41 manholes and 17 clean-outs. The Village operates four lift stations. The Whiskey Creek lift station (Lift Station 1) is located north of Whiskey Creek and pumps water south via a force main. The Ponca Creek lift station (Lift Station 2) is located on the west side of Ponca Creek and serves the community east of Ponca Creek as well as all residents east of Fourth Street. The existing 2-cell lagoon system and Lift Stations 1 & 2 were constructed in 1966. In 2011, a manhole on the east side of Ponca Creek was converted into a lift station (Lift Station 3). This lift station replaced a gravity line and pumps wastewater from the east side to the west side of Ponca

Creek into Lift Station 2. The Outfall lift station (Lift Station 4) is located on the southern edge of town and serves the entire community. Lift Station 4 was replaced in 2008 (CWSRF funding was provided for this project). Wastewater is pumped south under Ponca Creek to the existing two-cell lagoon system via a 4-inch force main. The two cells have a combined surface area of 2.5 acres. Cell No. 1 is the east cell with a surface area of 0.9 acres and Cell No. 2 is the west cell, with a surface area of 1.60 acres. The east cell is full of water and water overflows from this cell into the west cell through an overflow pipe located on top of the dike. Attachment No. 1 shows the location of the lift stations and the lagoons.

The Nebraska Department of Environmental Quality (NDEQ) conducted a NPDES Compliance Inspection on August 3, 2012 that noted that the west cell had significant amount of vegetation growing on the bottom, comprised primarily of cattails. The Inspection noted that the lagoon seal was compromised and the lagoon did not hold water. As a result of these findings, on August 30, 2012 the NDEQ issued, a Notice of Violation to the Village.

The proposed project consists of removing the vegetation and solids from Cell No. 2 and repairing and upgrading this lagoon to meet current design standards. If the budget allows, Cell No. 1 may be upgraded as well. The project also includes replacing Lift Stations 1 and 2. Lift station 3 will be replaced with a manhole and a gravity sewer main.

The project will result in the repair and or replacement of the existing lagoons and lift stations which are 52 years old and have surpassed their design life. The project will provide reliable wastewater treatment and will therefore have a positive impact on the environment.

The Village has applied for financial assistance for the project through the Clean Water State Revolving Fund (CWSRF) loan program. The project is listed on the planning list of the FY2018 Intended Use Plan and is eligible for CWSRF financing. Lynch's median household income is \$29,875, and has an AWIN score of 34. Lynch is eligible for a 30-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 of the outstanding principal balance would be assessed each year. The Village of Lynch is eligible to receive \$100,000 in principal forgiveness funds and eligible to receive a small town grant of \$250,000 as per criteria described in the FY 2018 Intended Use Plan. Revenues generated from the current sewer use fees will be used to repay the CWSRF loan.

The Village of Lynch has two existing CWSRF loans from 2008 and 2011. The combined outstanding principal balance as of June 15, 2017 on these loans is \$103,962. The annual payment of principal and interest is \$18,000. The existing CWSRF loans will be paid off in 2023. In anticipation of the proposed

project, the current flat rate sewer use fee of \$35.00/month/user was implemented on June 15, 2017. Sewer use fees will be dedicated to service the proposed CWSRF loan, the existing CWSRF loans and the operation and maintenance of the sewer utility. The adequacy of the current sewer use fee will be assessed towards the end of construction of the proposed project. A Public Hearing was held on September 13, 2017 to discuss the proposed project and the impact of the CWSRF loan on sewer use fees.

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. 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;
- The proposed action is not known or expected to cause significant public controversy.

The Nebraska Department of Environmental Quality 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](mailto:gautam.bhadbhade@nebraska.gov)

Signed this 26<sup>th</sup> day of September, 2017.

Sincerely,

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

Jim Macy  
Director

Attachments:      Distribution List  
                         Maps

## CE DISTRIBUTION LIST

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

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

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

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P.O. Box 82554  
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#### STATE OFFICE OF POLICY RESEARCH

Rm 319, State Capitol  
P.O. Box 94601  
Lincoln, NE 68509-4601

#### DEPARTMENT OF ECONOMIC DEVELOPMENT

Abigail Anderson  
P.O. Box 94666  
Lincoln, NE 68509

#### DEPARTMENT OF THE INTERIOR FISH AND WILDLIFE SERVICE

Jeff Runge  
9325 South Alda Road  
Wood River, NE 68801

#### NATIONAL PARK SERVICE

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

#### USDA RURAL DEVELOPMENT

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

#### ENVIRONMENTAL PROTECTION AGENCY

Christopher Simmons and Kelly Beard-Tittone  
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

John Moeschel  
State Program Manager  
US Army Corps of Engineers  
Nebraska State Office, Suite 1  
8901 South 154<sup>th</sup> Street  
Omaha, NE 68138-3621

#### APPLICANT

Kenneth Crooks, Chairman  
Village of Lynch  
P.O. Box 98  
Lynch, NE 68934

#### ENGINEER

Torey McMullen, P.E.  
Miller & Associates  
1111 Central Avenue  
Lincoln, NE 68847-6833

#### NRD

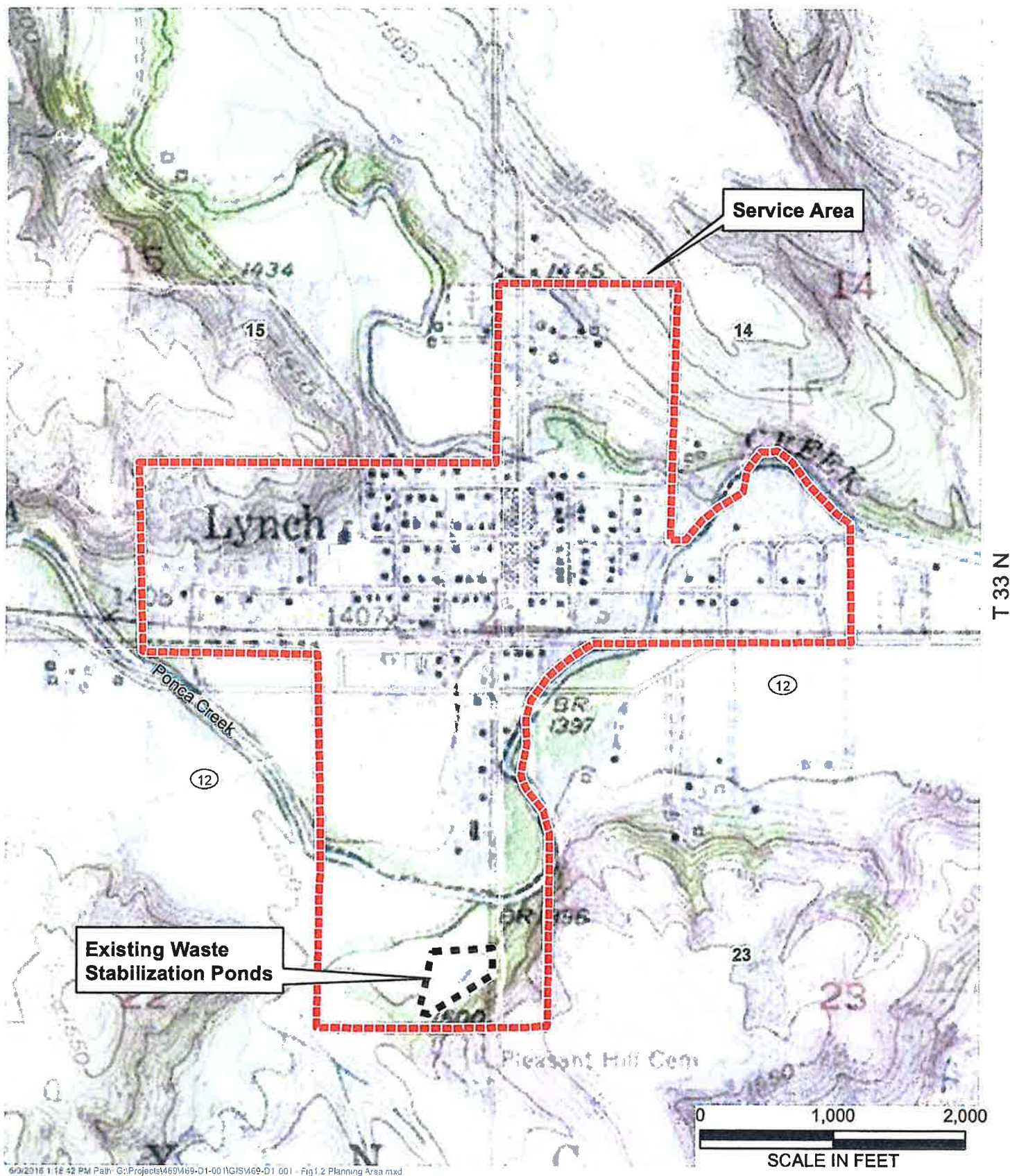
Leon Koehlmoos, Manager  
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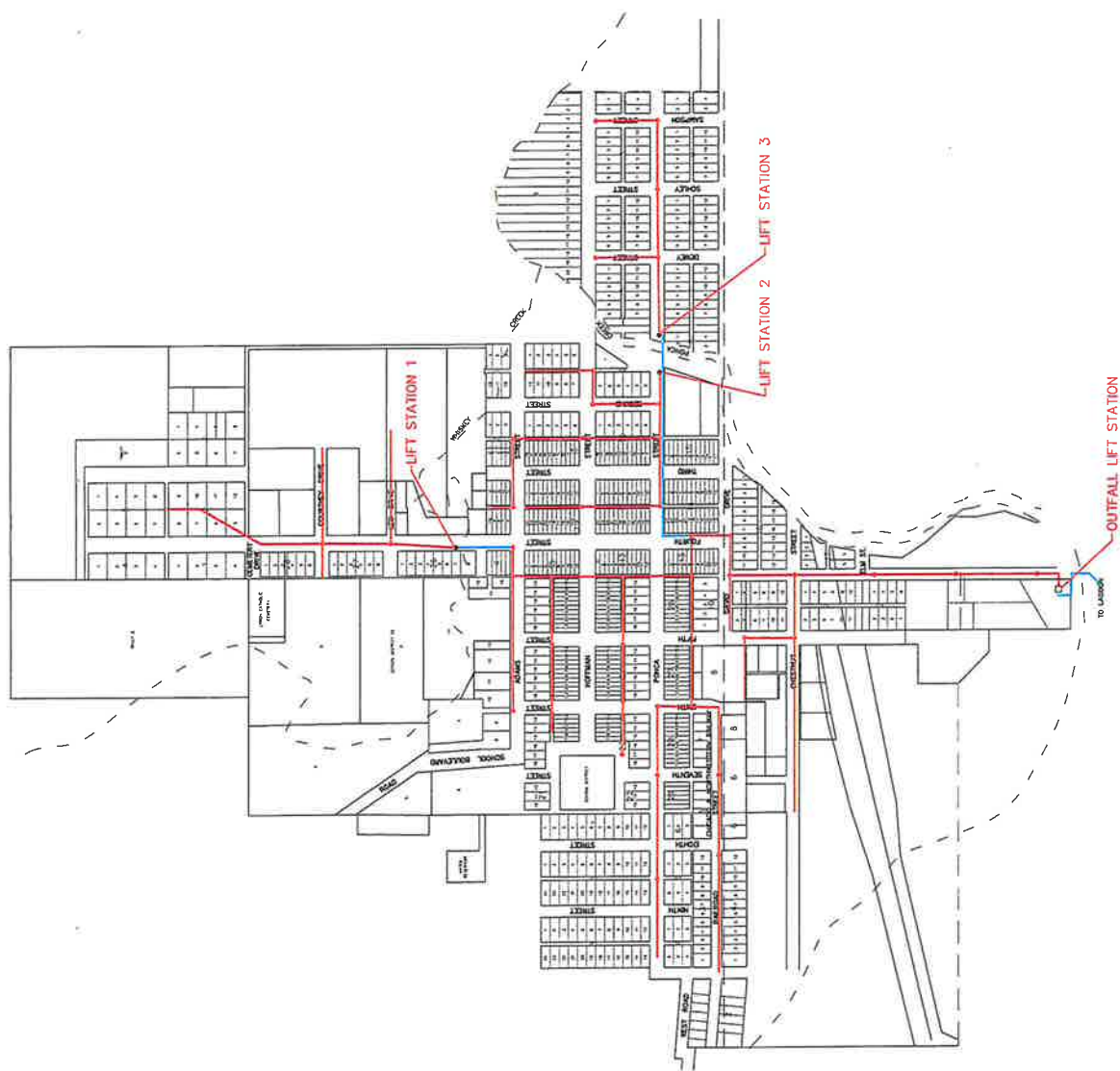
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(Public Information only, not for Public Notice)

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**Figure 2.1  
Existing  
Collection System**  
Project 469-D1-001  
Lynch, Nebraska