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STATE OF NEBRASKA

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DRINKING WATER STATE REVOLVING LOAN FUND PROGRAM FINDING OF NO SIGNIFICANT IMPACT

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: Replacement Well, Transmission Main and Distribution System
Improvements
City of Springfield, Nebraska

DWSRF PROJECT NUMBER: D311611
ESTIMATED PROJECT AMOUNT: \$1,112,000
PROPOSED DWSRF LOAN AMOUNT: \$889,600
PROPOSED DWSRF LOAN FORGIVENESS AMOUNT: \$222,400

The City of Springfield 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 (DHHS) and the Nebraska Department of Environmental Quality (NDEQ). This project has been ranked as a high priority project and is included on the Funding List in the DWSRF State Fiscal Year 2016 Intended Use Plan (IUP). 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.

Springfield is located in eastern part of Nebraska, situated south of the City of Omaha. The community has a population of 1,529 according to the 2010 census. Springfield has been issued a permit to operate a public water system (PWS) under the provisions of the Nebraska Safe Drinking Water Act and the Regulations Governing Public Water Supply Systems, Title 179.

In September 2014, the City's Engineer completed a Design Report that evaluated the siting of a replacement well with transmission main, as well as distribution system improvements. The PWS consists of two municipal wells, a 500,000 gallon water storage tank and a distribution system. A third system well is inactive as it was decommissioned following monitoring that showed Nitrates up to 15 mg/L. This supports the recommendation in the report that Springfield construct a new well. Test hole data from the proposed well site

showed a Nitrate level of 2.3 mg/L, well below the drinking water standard. In addition, a water main loop will be constructed to tie-off two dead-end lines to the south of the proposed well project along Highway 50, which will ensure that the new well has redundant capability to supply the City's system.

The proposed project was reviewed by several Federal and State agencies for environmental impacts. One response received indicated that the project would have no effect. Then the Nebraska Department of Natural Resources (NDNR) provided mapping of the local floodplain, wherein a small portion of the water main loop may lie within the floodway. If that is confirmed during final design, a permit will be obtained from the local floodplain administrator. Also, the new well will be registered with the NDNR and a new well construction permit will be required from the Papio-Missouri River Natural Resources District. A National Pollutant Discharge Elimination System Construction Stormwater permit will be required by NDEQ if more than one acre of land is disturbed.

The City is eligible for a 20-year loan at an interest rate of 2 percent 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 percent of the loan balance will be assessed each year. The revenues from Springfield's water utility will be dedicated to repay the loan. The projected annual DWSRF Debt Service (including 10% coverage) is \$69,291. Springfield's current water rate for a typical residential connection is \$27.06 per month for the first 2,000 gallons of used, with an additional \$2.70 use charge for every 1,000 gallons of water furnished thereafter. That equates to a water bill of ~\$43.25 per month, based on a common household water use of 8,000 gallons. With 692 active service connections, household rates may need to be raised \$8.34 to address the new debt service, to just under \$52 per month.

A Public Hearing was held December 15, 2015, with 34 days advanced posted notice. A presentation of the proposed project was made by the Engineer, including the project scope, costs, financing and schedule. No comments were made by the public. Following the hearing, the City Council passed a motion to make an application for DWSRF funds for the project.

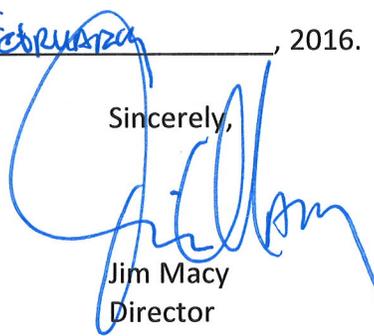
The proposed project is determined by DHHS to help the PWS maintain compliance with the Safe Drinking Water Act. The system last underwent a routine sanitary survey by DHHS in July of 2013, wherein no deficiencies were noted. That completed survey is the first step of the Technical, Financial, and Managerial (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 5, below the allowable 11 per issued U.S. Environmental Protection Agency guidance.

No significant environmental impacts have been identified that would result from the proposed action. All necessary permits for construction or waste discharges will be obtained from the appropriate agencies (i.e., Local Floodplain, NRD, etc.), if necessary. 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 assessment, the engineering report and other supporting data that are on file with NDEQ. The latter are available for public review upon request and 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 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 DHHS, or John Danforth at 402 471-3373 or email john.r.danforth@nebraska.gov of the Water Division of NDEQ.

Signed this 3rd day of February, 2016.

Sincerely,



Jim Macy
Director

Attachments: Environmental Assessment
Distribution List
Map

ENVIRONMENTAL ASSESSMENT DOCUMENT

A. Project Identification:

Applicant: City of Springfield
Project No.: D311611
City: Springfield **County:** Sarpy **State:** NE
Total Project Amount: \$1,112,000
Proposed DWSRF Loan Amount: \$889,600
Proposed DWSRF Loan Forgiveness: \$222,400

B. Community Description:

Location: Springfield is located in eastern part of Nebraska, situated south of the City of Omaha.

Population: The 2010 census population of Springfield is 1,529.

Current Water System Facilities: The City's public water system (PWS) consists of three municipal wells, a 500,000 gallon water storage tank and a distribution system. A third system well is inactive, decommissioned following monitoring that showed Nitrates up to 15 mg/L, measurably above the drinking water standard of 10 mg/L. Also, the City's existing backup well is 40 years in age, just exceeding the average expected life of a municipal supply well in the State.

C. Project Description:

In October 2014, the City's Engineer completed a Design Report that evaluated the siting of the proposed supply well. The well is needed to replace the former supply well lost to Nitrates, and is also a proactive measure on the part of the City, should the existing backup well fail to operate due to its age.

D. Alternatives Considered:

Two alternatives studied were:

1. No Project; or
2. Replacement Supply Well.

Evaluation and Selection of the Alternative: Three well sites were investigated by the City, with two showing Nitrate levels above 4 mg/L. A test hole from a third site yielded a Nitrate level of 2.3 mg/L, well below the drinking water standard. The third well site will re-establish the supply the City lost when the former well was decommissioned.

Without the project, should the existing backup well ever fail due to increasing age, Springfield would be left with only one active well to ensure an adequate supply of safe drinking water on a continuous basis, a regulatory requirement for the City's residents.

E. Environmental Impact Summary:

Primary:

Construction: Temporary impacts caused by construction include noise and dust, a limited potential for soil erosion, and fuel/oil spills. The City will make application to the Papio-Missouri River Natural Resources District for a well construction permit. The new well will be registered with the Nebraska Department of Natural Resources (NDNR). Review and approval for a construction permit will be required from the Engineering Services Program of the Nebraska Department of Health and Human Services (DHHS).

Environmental: The construction contracts will require that the contractors return the area to its original or better condition. The well house will occupy a very small area of land (<1,500 square feet) and will have little, if any effect on area species. All of the land area to be impacted during construction was previously disturbed when a walking trail was constructed.

The proposed project was reviewed by numerous Federal and State agencies for environmental impacts. The NDNR response noted that a portion of the water main phase may be within the local floodway, and if confirmed during project design, would require a local floodplain permit. Further, the Department of the Army noted the applicability of their 404 permit requirements, should it be determined that fill material would be placed into Waters of the U.S. However during the typical startup operation for this newly developed supply well project, whatever water discharges result during the development and draw down testing, such discharges will be directed to a drainage swale to the north, to avoid direct discharge to the headwaters tributary of Turtle Creek to the east.

Financial: An application for a DWSRF loan has been received for \$1,112,000 to fund the system improvements. The City is eligible for a 20-year loan with an interest rate of 2% plus an administrative fee of 1% on the outstanding principal balance assessed annually. Further, Springfield qualifies for 20% of loan forgiveness State Fiscal Year 2016 program criteria. Therefore, the projected annual DWSRF Debt Service (including 10% coverage) is estimated at \$69,291. Springfield's current water rate for a typical residential connection is \$27.06 per month for the first 2,000 gallons of used, with an additional \$2.70 use charge for every 1,000 gallons of water furnished thereafter. That equates to a water bill of ~\$43.25 per month, based on a common household water use of 8,000 gallons. With 692 active service connections, household rates may need to be

raised \$8.34 to address the new debt service, to just under \$52 per month. Following construction, Springfield will make a final assessment of revenues and cost to determine what rate adjustments are necessary.

Secondary:

Population Impacts: The new well is not primarily needed for future growth, but to replace a well lost due to increased levels of Nitrates. However, the improvements will be reasonably sized to accommodate the population growth.

Land Use and Trends: The location of the well is on land owned by a local non-profit sports recreation program, which the City will enter into acquisition negotiations with for purchase to own. There is a nearby walking trail that will not be permanently be disturbed by the proposed construction. The well site has been approved by the DHHS. In addition, all new water mains will be placed below ground at depths that will not interrupt any planned uses. The Nebraska State Historical Society noted that the project will have no effect for archeological, architectural, or historic properties.

Environmental: The proposed project will have no effect on the availability of water quantity in the area. The minimal amount of solid waste generated by the project will be disposed in a licensed landfill. No safety, vibration, noise or aesthetic considerations were identified other than the normal noise and disruptions associated with building and water main construction.

Environmental Justice: The project will not produce any environmental justice concerns. All structures will be placed in areas previously disturbed or on City owned property, and the services provided by the proposed project will be available to everyone in Springfield, equally. No segment of the community's population is impacted disproportionately from related effects.

Mitigation measures necessary to eliminate adverse environmental effect:

Proper construction techniques will be utilized to minimize soil erosion and other potential impacts of construction. Traffic flow may be affected by construction when water main construction is being done along the City road right-of-ways; however, safety control measures (i.e., signs, etc.) will be implemented. An NPDES Construction Stormwater permit for runoff associated with construction activity and a Stormwater Pollution Prevention Plan will be required by NDEQ for this project if more than one acre of land is disturbed. The Community can designate the General Contractor as the authorized representative on the stormwater permit notice of intent submitted to the NDEQ. Authorization of stormwater runoff from the construction activity must be in place prior to commencing construction.

Irreversible and irretrievable commitment of resources: The resources committed to the project include the equipment, materials and energy used in construction.

F. Measures Taken to Insure Environmental Soundness:

Public Involvement: A Public Hearing was held December 15, 2015, with 34 days advanced posted notice. A presentation of the proposed project was made by the Engineer, including the project scope, costs, financing and schedule.

Public Opposition or Opinions: No comments were made by the public.

Coordination and Documentation with Other Agencies and Special Interest Groups:

Facility Planning: Design Report, Municipal Water System Improvements, City of Springfield, Olsson Associates, September 2014

Federal: Department of the Army, December 9, 2015, letter

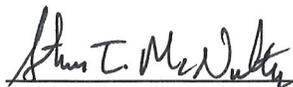
State: Department of Health and Human Services, Division of Public Health, August 1, 2013, letter
Department of Natural Resources, November 25, 2015, memorandum
Nebraska State Historical Society, October 29, 2015, letter

Consulting Engineers: Olsson Associates, Lincoln, NE

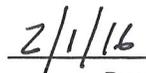
Public Groups: City of Springfield Residents

G. Positive Effects to be Realized from the Proposed Project: The project will allow Springfield to maintain compliance with the Nebraska Safe Drinking Water Act and ensure future water availability. Test hole data shows that the proposed well should meet all drinking water standards per Title 179, Regulations Governing Public Water Supply Systems. As such, the project is considered reasonable, not contrary to conservation or the public welfare and is a beneficial use of resources by the City of Springfield.

H. Reasons for Concluding there will be no Significant Impacts: Review of the engineering report and supporting information indicates that the proposed project will result in no significant impact on the environment. Federal and State agencies reported no impact will result to historical resources. All necessary permits for construction will be obtained from the appropriate agencies (i.e., local floodplain, NRD, etc.), if necessary.



Reviewing Engineer



Date

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Lenexa, KS 66219

STATE CONSERVATIONIST
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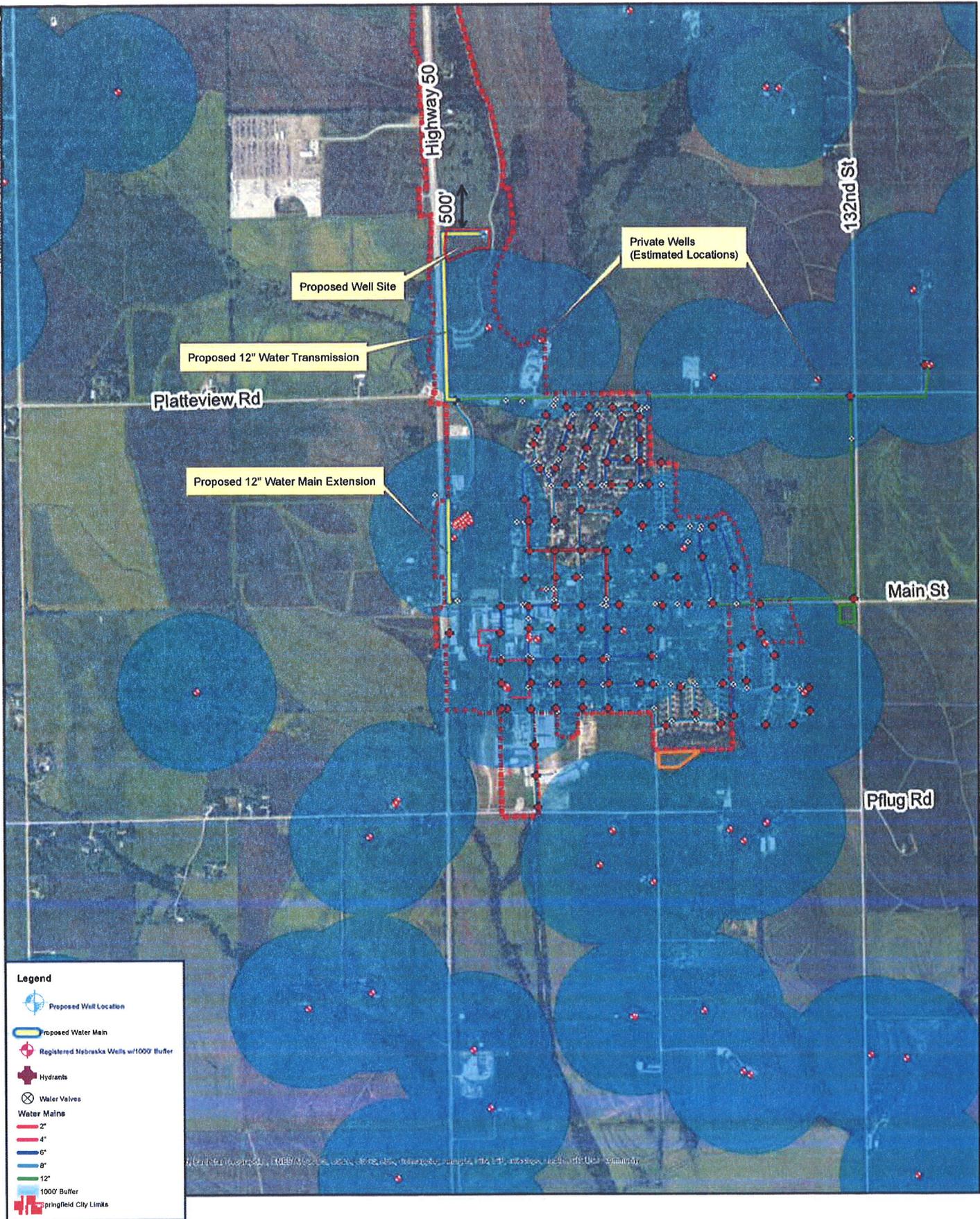
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LOCAL NEWSPAPER
The Springfield Monitor
604 Fort Crook Road North
Bellevue, NE 68005-4557

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Springfield, Nebraska

Proposed New Well & Water Main Extensions



0 750 1,500 3,000 Feet