



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 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 Water, Energy, and Environment (DWEE) encourages public input in this decision-making process.

PROJECT NAME:	2024 Elmwood Water System Preliminary Engineering Report
APPLICANT:	Village of Elmwood
COUNTY:	Cass
POPULATION:	654 (2020 Census)
DWSRF PROJECT #:	D311757
TOTAL PROJECT AMOUNT:	\$4,704,000
LOAN FORGIVENESS (30%):	\$1,411,200
SRF LOAN AMOUNT:	\$3,292,800

The Village of Elmwood has applied for funding, through the Drinking Water State Revolving Fund (DWSRF) program administered by the DWEE, to replace their existing reverse osmosis system with a two skid system and rehabilitate the Village's water treatment plant building. Additionally, the Village will also rehabilitate existing well houses for Wells #3, #5, and #6, and acquire a portable emergency generator to provide power to the wells in the event of a power outage.

The community was listed in the Funding List in the State Fiscal Year 2027 Intended Use Plan (IUP) and ranked at 160 points. Based on supporting documentation on file with the DWEE, this project was determined to be eligible for a 30-year loan at an interest rate of 1.00%, per the criteria listed in the IUP. In addition to principal and interest, an administrative fee of 1.00% of the loan balance will be assessed. Elmwood is eligible for a loan forgiveness of 30%. The current residential water rate is \$24.00, with an added rate of \$3.00 per 1,000 gallons – resulting in an average monthly water bill of \$39.00 for a typical 5,000-gallon monthly household water use. For the loan, the estimated long-term annual DWSRF Debt Service is \$176,000 per year. Based upon 298 active service connections, residential water rates may need to be raised a minimum of \$49.22 per month to address the new debt service. To cover these costs, the estimated water bill after the project is \$88.22 per month, or approximately 1.38% of median household income in the Village of Elmwood, which falls within EPA affordability guidelines.

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. The proposed project will be within the existing footprint of the current distribution system and transmission main locations. 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 state and 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 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 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 the DWEE to help the public water system maintain compliance with the Safe Drinking Water Act. The system last underwent a routine sanitary survey by the DWEE in January 2025, wherein five significant deficiencies and one minor deficiency were noted. All deficiencies have since been addressed. The completed survey is the first step of the Technical, Managerial, and Financial (TMF) program policy. The Village of Elmwood will still be required to undergo an Initial, and if necessary, a Final TMF Assessment by the DWEE, to ensure that their capabilities meet the requirements of the Safe Drinking Water Act. Also, the Village's current Environmental Tracking Tool score is 0, below the allowable 11 per issued U.S. Environmental Protection Agency guidance.

The DWEE 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 DWEE. 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 DWEE State Revolving Fund Program at dwee.srf@nebraska.gov, or at 402-471-4200.

Signed this 16th day of September, 2026.

Sincerely,



Sarah Starostka,
Division Administrator
Planning & Aid Division

Attachments: Distribution List
 Map

CATEGORICAL EXCLUSION DISTRIBUTION LIST
ELMWOOD, NEBRASKA

DEPARTMENT OF WATER, ENERGY, &
ENVIRONMENT

dwee.nepa-review@nebraska.gov
245 Fallbrook Blvd, Suite 100
Lincoln, NE 68521

NEBRASKA GAME & PARKS COMMISSION

Melissa Marinovich, Environmental Review
ngpc.envreview@Nebraska.gov
P.O. Box 30370
Lincoln, NE 68503-0370

NEBRASKA STATE HISTORICAL SOCIETY

hn.hp@nebraska.gov
P.O. Box 82554
Lincoln, NE 68508-2554

STATE OFFICE OF POLICY RESEARCH

Cicely Wardyn, Policy Advisor
cicely.wardyn@nebraska.gov
Rm 1319, State Capitol
P.O. Box 94601
Lincoln, NE 68509-4601

DEPARTMENT OF ECONOMIC DEVELOPMENT

Tom Stephens, Financial Packager
tom.stephens@nebraska.gov
245 Fallbrook Blvd., Suite 002
Lincoln, NE 68521

DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE

Janae Johnson
nebraskaES@fws.gov
9325 South Alda Road
Wood River, NE 68883

NATIONAL PARK SERVICE

Christine Gabriel
mwro_compliance@nps.gov
601 Riverfront Drive
Omaha, NE 68102-4226

USDA RURAL DEVELOPMENT

Kelley Messenger
kelley.messenger@usda.gov
Room 308, Federal Building
100 Centennial Mall North
Lincoln, NE 68508

ENVIRONMENTAL PROTECTION AGENCY

Chris Simmons; Angela Puls
simmons.christopher@epa.gov; puls.angela@epa.gov
11201 Renner Blvd
Mail Code: WWPDWIMB
Lenexa, KS 66219

STATE CONSERVATIONIST

Robert Lawson, Natural Resources Conservation Svc.
robert.lawson@usda.gov
Federal Building, Room 152
100 Centennial Mall North
Lincoln, NE 68508-3866

DEPARTMENT OF THE ARMY

US Army Corps of Engineers
Ne404reg@usace.army.mil
Nebraska State Office, Suite 1
8901 South 154th Street
Omaha, NE 68138-3621

VILLAGE OF ELMWOOD

Renee Holland, Chairperson
villageofelmwood@msn.com
221 South 4th Street
PO Box 62
Elmwood, NE 68349-0062

JEO CONSULTING GROUP

Dane Simonsen, P.E.
dsimonsen@jeo.com
2000 Q Street, Suite 500
Lincoln, NE 68503

LINCOLN JOURNAL STAR

legals@journalstar.com
200 South 21st Street, Suite 100
Lincoln, NE 68510
(Public Information Only not for Public Notice)

LOWER PLATTE SOUTH NATURAL RESOURCES
DISTRICT

David Potter, General Manager
nrd@lpsnrd.org
3215 Portia Street
PO Box 83581
Lincoln, NE 68501-3581



Figure 1. Map of the Village of Elmwood's water infrastructure

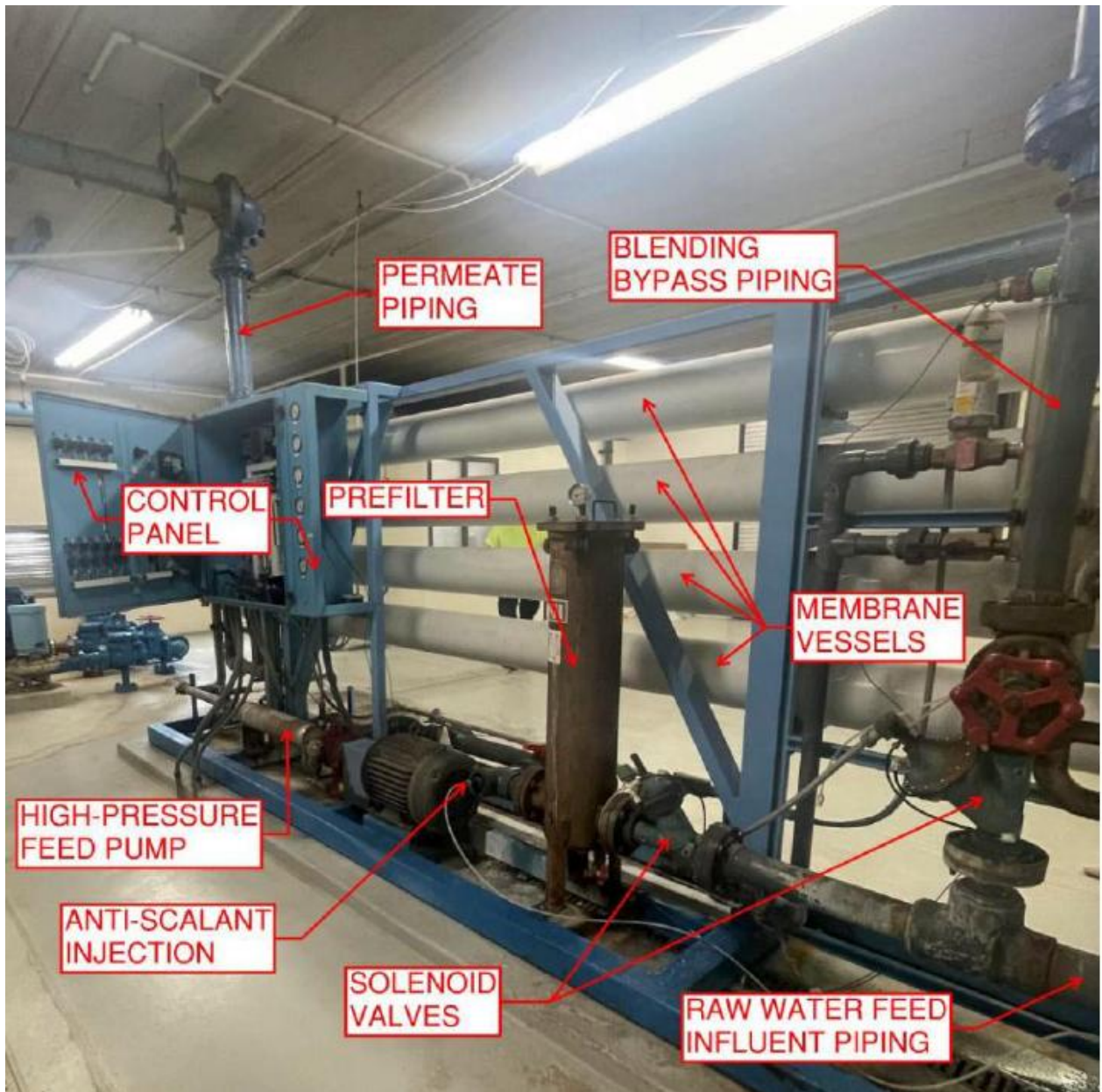


Figure 2. Village of Elmwood's existing reverse osmosis skid



Figure 3. Village of Elmwood water treatment plant exterior



Figure 4. Well #3 Exterior



Figure 5. Well #5 Exterior



Figure 6. Well #6 Exterior