NEBRASKA
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DEPT. OF WATER, ENERGY, AND ENVIRONMENT

Jim Pillen, Governor

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

| | |
|---|---|
| PROJECT NAME: | Prague Wastewater Lagoon Rehabilitation |
| APPLICANT: | Prague, Nebraska |
| COUNTY: | Saunders |
| POPULATION: | 291 (2020 US Census Estimate) |
| IIS PROJECT NO: | 63207 |
| CWSRF PROJECT NUMBER: | C318084 |
| ESTIMATED TOTAL PROJECT AMOUNT: | $ 1,267,648 |
| ESTIMATED CWSRF LOAN FORGIVENESS: | $ 760,589 |
| ESTIMATED CWSRF PRINCIPAL LOAN FUNDS: | $ 507,059 |

The Village of Prague, Nebraska, which is located in southeast Nebraska, is planning to rehabilitate their 3-cell lagoon wastewater treatment facility (WWTF). The existing controlled discharge lagoon, covering 3.3 total acres, was originally constructed in the 1960s. In 2023, NDWEE has issued two letters of Noncompliance requiring the secondary third cell be resealed due to the cell being found empty and grassed over.

A consulting engineer was hired and completed a Preliminary Engineering Report. Four alternatives were presented as follows:

1. Reline Final Cell No. 3
2. Reline Final Cell No. 3 and other required improvements.
3. Alternative 2 plus maximize depth utilizing excess freeboard.
4. Maximize Depth and capacity through dike improvements.

After reviewing the historical influent flow data, the consulting engineer recommended Alternative No. 4 to expand the lagoon storage capacity to 180 days. Over the past three years, the lagoon system has received an average daily flow of 32,531 gallons. This equates to a per capita flow of 112 gallons per day, which includes a 17-gallon-per-day allowance for infiltration and inflow (I&I). Notably, significant I&I was observed during 2020, a particularly wet year. In response, the community completed a sewer rehabilitation project in 2023 using Cured-in-Place Pipe (CIPP) and sewer replacement, funded by the CWSRF, to reduce I&I within the collection system. The engineering analysis assumed no future population growth based on historical trends and the absence of expected industrial development. The existing lift station, which was rehabilitated in 2009, was evaluated and determined to be in good working condition, requiring no upgrades. It was determined that sludge removal is

needed in all three cells with 2 feet layer estimated for primary cell no. 1, 1.5 feet for primary cell no. 2, and 0.5 feet for the secondary cell no. 3. The remaining required improvements are indicated below:

1. Replacement of the diversion structure.
2. Restructuring the outfall structure and placement of riprap.
3. Replacement of valves on the transfer piping between the primaries and final cell.
4. Installation of a transfer pipe and valve between the two primary cells.
5. Installation of depth markers.
6. Installation of an effluent flow monitoring system.

The balance of Alternative No. 4 work includes raising the low eastern dike tops of cells 2 and 3 to maximize the storage capability of both cells. By raising and leveling the dike tops, providing the maximum operational depth of 6 ft for cell no. 2 and 8 ft for cell no.3 allows 180 days storage at the average daily influent flow. Lagoon liners will be restored after sludge removal with native clay available from nearby borrow sites. Six 5 ft deep borings were conducted in cell no. 3 to explore salvageable fat clay liner material. Half of the sample sites exhibited lean clay with sands not useable for liner material. No groundwater was found in any of the borings.

The Village of Prague has applied for financial assistance through the CWSRF loan program for the WWTF improvements. This project is listed in the SFY 2026 funding list Intended Use Plan, ranked at 81 points, which makes it eligible for financing. Prague is eligible for a 30-year CWSRF loan at the current program per annum interest rate of 0.75 percent. In addition to principal and interest payments, an administrative fee of 0.75 percent of the outstanding principal balance will be assessed each year. The Village is eligible for $760,589 in loan forgiveness (up to 60.01% of the total project cost). Based on the total estimated project cost of $1,267,648, minus the eligible loan forgiveness, the Village's total CWSRF principal loan amount would be $507,059. Sewer use fees will be pledged to repay the CWSRF loan. The impact to sewer rates was analyzed, currently the Village charges $21.00 flat rate per month for 156 customers. Funding Alternative No. 4 with a 30-year CWSRF loan of $1,267,648 at 0.75% per annum and 0.75% annual administrative fee on the outstanding principal, equates to $22,680 first year repayment. A 10% coverage requirement on the annual debt service for loss of users and delinquencies is added to the revenue requirements which totals an additional $2,268 per year. The Village has an annual operation and maintenance (O&M) budget of $13,990 plus a short-lived assets pump replacement account of $5,000 and existing CWSRF debt service from 2023 of collection system work, having remaining principal of $171,372 at 0% plus 0% admin equaling annual payment of $9,263.40, for a O&M grand total of $28,261. The total sewer revenue requirements combine the annual repayment, debt service coverage factor, and operation and maintenance costs which equals $53,209. The revenue requirements, when divided by the number of users 156, are divided by 12 for the projected monthly sewer rate equals $46.93. The sewer fund revenue requirements will be evaluated after the completion of the project by the Village of Prague and adjusted if needed.

Prague's WWTF discharges treated effluent to the Cottonwood Creek under the National Pollutant Discharge Elimination System (NPDES) permit NE0046272 effective January 1, 2022, expiring December 31, 2026. The Permit has a compliance schedule which by January 1, 2026, the Village shall select one of four alternatives identified in their Preliminary Engineering Evaluation. By January 1, 2028, the Village of Prague shall complete all necessary repairs to the lagoon system and submit a certification that the WWTF is in compliance with all applicable legal requirements. Effluent discharges to surface waters are required to meet secondary discharge limitations which are shown for their current NPDES permit as follows:

| Parameter | Units | Discharge Limits | |
|---|---|---|---|
| | | Monthly Average | 7-Day Average |
| Biochemical Oxygen Demand (BOD) | mg/l | 30.0 | 45.0 |
| Total Suspended Solids (TSS) | mg/l | 80.0 | 120.0 |
| pH | SU | 6.5 daily minimum | Report |

*Table continued from above.*

| Parameter | Units | Discharge Limits | |
|---|---|---|---|
| | | Monthly Average | 7-Day Average |
| Spring Ammonia (March 1 – May 31) | mg/l | 0.67 | 1.35 |
| Summer Ammonia (June 1 – Oct. 31) | mg/l | 0.22 | 0.44 |
| Winter Ammonia (Nov. 1 to Feb. 28) | mg/l | 1.77 | 3.56 |
| E. Coli for Recreation Season (May 1 – September 30) | #/100 ml | 126 | 298 |
| Total Nitrogen | mg/l | Report (future 8.0 est.) | Monthly |
| Total Phosphorus | mg/l | Report (future 1.0 est.) | Monthly |

A Construction Storm Water General Permit will be required from NDWEE if more than 1 acre of land is disturbed. The community can designate the General Contractor as the authorized representative on the storm water permit notice of intent submitted to the NDWEE. Authorization of storm water runoff from the construction activity must be in place prior to commencing construction and the areas disturbed during construction will be re-seeded with native grasses. The project will comply with the Migratory Bird Treaty Act and Eagle Act.

The proposed project was reviewed for eligibility for a categorical exclusion from 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. All improvements will occur inside the existing WWTF property boundary. 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. A Nebraska Game and Parks CERT Environmental Report was completed for the project indicating a tree mass off the northeast corner fence line of the lagoon property. No removal of suitable trees is planned or will be permitted between May 15 and July 31 (roosting season of Northern Long-eared Bat, state and federally listed endangered species);
- 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; and it is supported by a State growth strategy. In addition, there will not be a substantial increase in volume/loading of pollutants to receiving streams; and
- The proposed action is not known or expected to cause significant public controversy.

The NDWEE 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 NDWEE. 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 the State Revolving Fund Section of the NDWEE at dwee.srf@nebraska.gov.

Signed this 25th day of August, 2025.

Sincerely,

Sarah Starostka
Administrator
Planning & Aid Division

SS/tsf/cnw

Attachments: Distribution List
Site Maps

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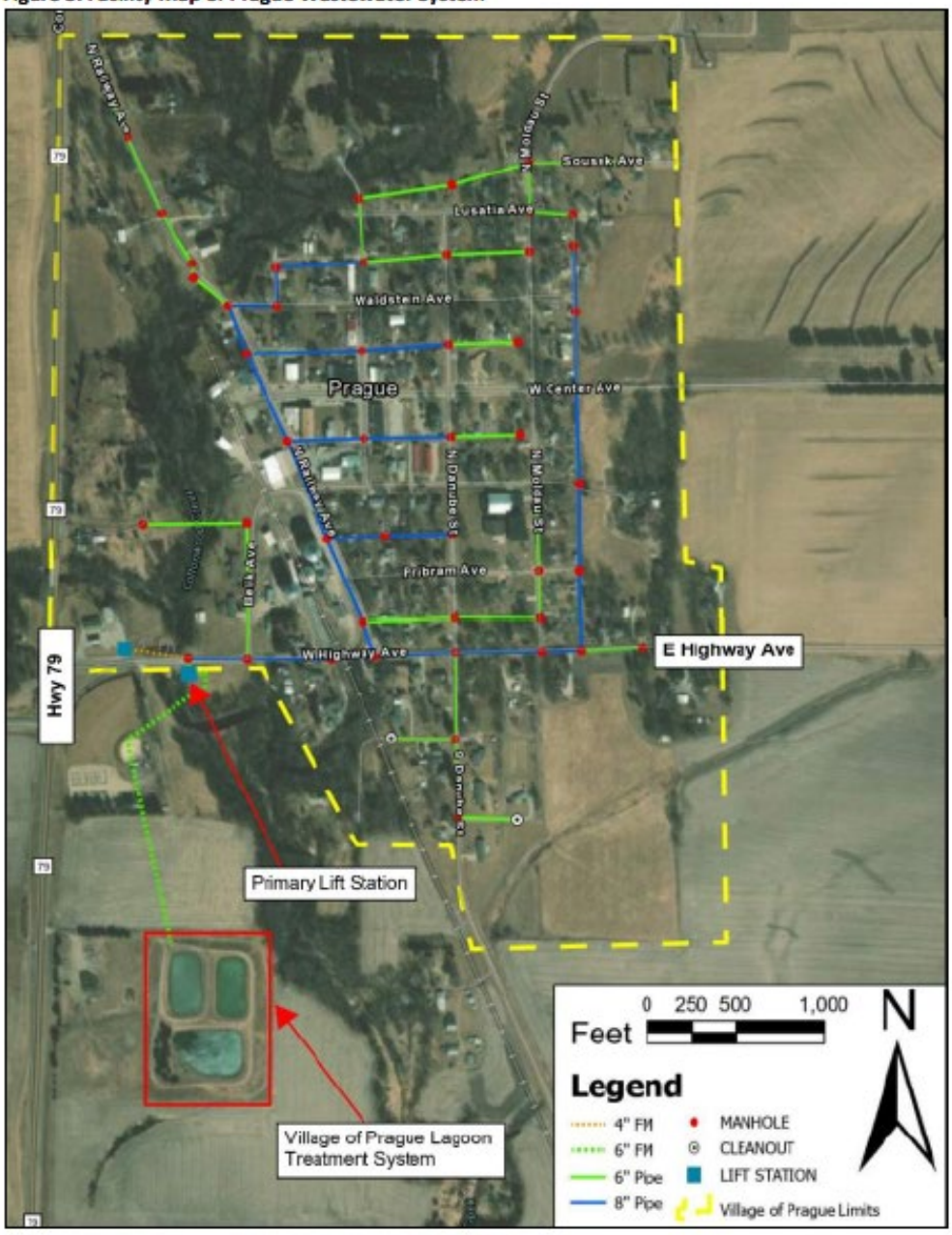
**Figure 1. Location of Prague, NE**


**Figure 3. Facility Map of Prague Wastewater System**



## 4. Alternative 4

**Figure 10. Alternative 4 Site Map**