To: SRF Loan Applicants and their Engineers or other Consultants

From: Wyo. Department of Environmental Quality (DEQ) State Revolving Fund (SRF) Program
   - Bill Tillman, SRF Principal Engineer, 307-777-6371, william.tillman@wyo.gov
   - Stan Miller, SRF Project Engineer, 307-777-6371, stanley.miller@wyo.gov

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General
An environmental review is required for all projects applying for SRF loan funding. This guidance assists loan applicants and their engineers or other consultants with conducting the environmental review. Contact the SRF program regularly during the process to help ensure you comply with the various requirements.

The environmental review addresses various federal environmental authorities that apply to federally assisted projects (such as SRF projects). Federal environmental authorities applicable to SRF include laws such as the Clean Air Act, Clean Water Act, Farmland Protection Policy Act, National Historic Preservation Act, Archeological and Historic Preservation Act, Endangered Species Act, Migratory Bird Treaty, and Executive Orders on the protection of wetlands and flood plains. Additionally, the State of Wyoming is committed to State of Wyoming Executive Order 2015-4 titled "Greater Sage-Grouse Core Area Protection" and to the Platte River Recovery Implementation Program. To ensure compliance with these environmental authorities, commitments, and plans, each SRF project must undergo the State Environmental Review Process (SERP) before loan approval. This is similar to a National Environmental Policy Act (NEPA) review performed by federal agencies.

If you are getting an SRF loan for only engineering design and related nonconstruction activities, you will usually only need to meet the public meeting requirement. If are getting a loan that includes construction, you will need to complete the full environmental review process before you can get that construction loan.

Cat-ex or EA/FNSI?
Environmental reviews for SRF projects are normally one of two kinds, either the kind involving a simple categorical exclusion (cat-ex), or the kind involving a somewhat more detailed Environmental Assessment and a Finding of No Significant Impact (EA/FNSI). Projects such as replacement of water or sewer mains or modifications to treatment plants within the existing plant site are often eligible for a categorical exclusion, which is basically an exemption from the full EA/FNSI process. Projects constructing new facilities on sites that did not previously have them usually require an EA/FNSI.

A public meeting and letters to agencies are required in either case, and you can take care of them at basically the same time or can do one after the other in either order. The other steps below
normally vary depending on whether the project can be a cat-ex or needs the EA/FNSI process. DEQ will provide you direction on whether you need a cat-ex or EA/FNSI. They can usually know upfront based on preliminary project information you provide, but this can also change depending on the results of the public meeting and letters to agencies.

**Public Meeting**
You must conduct a public meeting for all SRF projects.

Before the meeting: Write up the public meeting notice and send it to DEQ for approval before you publish it. See the attached *Example Public Meeting Notice*. Publish the public meeting notice in the local paper at least 15 days before the meeting.

During the meeting: Present the chosen project alternative and/or the various alternatives under consideration. This should normally include a map or drawing of the project. Present the estimated project cost, SRF loan amount, dedicated source of repayment, and the effects on user rates and fees. Give the public the opportunity to comment (to ask questions, voice their concerns, and give their opinions).

After the meeting: Write up meeting minutes. Make sure the minutes show that you did present all the information called for above and that you did allow the public the chance to comment. If there were public comments at the meeting, make sure the minutes summarize all those comments and the responses given. If there were any written comments, you also need to respond back in writing (unless comments were merely supportive comments). Send to DEQ the meeting minutes, any written comments and responses, and the affidavit of publication of the public meeting notice.

There are several instances where the public meeting may need to be redone, those are as follows:
- The cost of the project is more than what was previously presented.
- The scope and details of the project changes significantly.
- The financing of the project changes to adversely impact the community.

**Letters to Agencies**
Send a letter to each of the agencies listed as *Federal and State Contacts for Environmental Issues*, using the attached *Example Letter to Federal and State Contacts*. The letters request the agencies to review the project for compliance with environmental issues under the agencies' jurisdiction and authority. The letters briefly describe the project. Attach a project area map, usually based on a USGS 7.5-minute topographic map. Get DEQ approval of your letters and maps before you send them to agencies. Send to DEQ copies of all the correspondence between you and the environmental agencies (everything you send to them or receive from them).

Provide the agencies with any additional information they request. If an agency makes 'recommendations' for surveys, studies, etc., you typically must treat those 'recommendations' as imperatives. You must conduct the surveys or studies and submit them to the agency for review.
Submit the surveys or studies directly to the agency, with a copy to DEQ. Your correspondence with each of the various environmental agencies is not complete until each agency tells you they have no further concerns or issues with the project that you have not addressed. It may sometimes be hard to determine when you have achieved this. To help avoid delays, you should discuss the agencies' correspondence promptly with DEQ to make sure that you are addressing all agencies' issues.

**Categorical Exclusion (Cat-ex)**
After you have provided DEQ with all documents related to the public meeting and letters to agencies, and if DEQ says you can move forward with a cat-ex, you then write a draft Categorical Exclusion Determination and send it to DEQ for review. See the attached Example Categorical Exclusion Determination. After DEQ approves it, publish the Categorical Exclusion Determination one time in a local paper of general circulation. Provide DEQ an affidavit of publication as soon as it is available.

When you publish in the paper, DEQ will also post the Categorical Exclusion Determination on its SRF public notice feed. DEQ will need to know the publication date a few days in advance to set this up.

**Environmental Assessment (EA) and Finding of No Significant Impact (FNSI) process**
If DEQ says the project cannot be a cat-ex, you will need to prepare an Environmental Assessment (EA) report for the proposed project and submit it to DEQ for review. See attached Example Environmental Assessment Report Outline. Other formats may also be acceptable, but please discuss with DEQ first.

If there are no significant adverse environmental impacts and no significant public opposition to the project, DEQ will approve a Finding of No Significant Impact (FNSI). See the attached Example Finding of No Significant Impact to guide you in preparing a draft FNSI for DEQ review. After DEQ approves the FNSI, you must publish it one time in a local paper of general circulation and provide DEQ an affidavit of publication. The FNSI opens a 30-day formal public comment period. DEQ will address any comments relating to the project. If there are no comments, expiration of the 30-day comment period ends the environmental review process.

When you publish in the paper, DEQ will also post the FNSI on its SRF public notice feed. DEQ will need to know the publication date a few days in advance to set this up.
Example Public Meeting Notice:

NOTICE OF PUBLIC MEETING

The (name of applicant and location), Wyoming, will conduct a public meeting at (time), local time, on (date), in the (meeting location). The purpose of the meeting is to allow citizens to review and comment on the following project(s). (Describe project(s) and reason(s) for it)

At the meeting, the (applicant) will present the preliminary design of the proposed project and will discuss the estimated cost of the improvements and the plan for funding the improvements. A preliminary plan of improvements, cost estimates, and the funding plan can also be reviewed at (applicant's or consultant's location). Contact (name) at (phone number).

Based on current cost estimates, the (applicant) plans to borrow ($ amount) from the Wyoming (Clean Water and/or Drinking Water) State Revolving Loan Fund administered by the Wyoming Office of State Lands and Investments. Increased user fees will repay the loan. The average rate increase is estimated to be ($XX/month) per user to repay the loan. Loan terms will be 2.5% interest rate and 20 years. (modify as needed for other repayment methods or terms)

Written comments are also welcome. Send written comments to (name and address) by (close of business time) on (date, preferably same date as meeting).

Published (publish date, at least 15 days before the meeting date)
**Federal & State Contacts for Environmental Issues:** You must send letters to and obtain clearances from the following contacts:

**National Historic Preservation Act and Archeological and Historic Preservation Act:**
Mary Hopkins, SHPO
Wyoming State Historic Preservation Office
2301 Central Avenue, Barrett Building, 3rd Floor
Cheyenne, WY 82002
307-777-7697

**Protection of Wetlands:**
Michael T. Happold, State Program Manager
Wyoming Regulatory Office
US Army Corps of Engineers, Omaha District
2232 Dell Range Boulevard, Suite 210
Cheyenne, WY 82009-4942
307-772-2300

**Farmland Protection Policy Act:**
James Bauchert, State Soils Scientist, james.bauchert@wy.usda.gov
US Department of Agriculture, NRCS
100 East B Street, Suite 3001
PO Box 33124
Casper, WY 82602
307-233-6750

**Endangered Species Act:**
Tyler Abbot, Field Supervisor
Ecological Services
US Fish & Wildlife Service
5353 Yellowstone Road, Suite 308A
Cheyenne, WY 82009
307-772-2374

**Clean Air Act:**
Adam Deppe, adam.deppe@wyo.gov
Air Quality Planning Section Supervisor
IMPACT Project Manager
Wyoming Department of Environmental Quality
Phone (307) 777-6088

**Greater Sage-Grouse Core Area Protection:**
Mary Flanderka, Statewide Habitat Protection Supervisor
Wyoming Game and Fish Department
5400 Bishop Boulevard
Flood Plain Management:
When the project is in a flood plain, you must contact the local flood plain manager. Check with your local municipal or county building officials for the correct contact. If a Flood Plain Development Permit is required, you must also notify the state and federal contacts listed below to solicit any comments they may have on the project. Do not contact the state and federal contacts below unless a permit is required, and only contact them after you have the permit.

State Contact:
Kim Johnson, NFIP Coordinator
Wyoming Office of Homeland Security
5500 Bishop Blvd.
Cheyenne, WY 82002
307-777-4910

Federal Contact:
Floodplain Management
FEMA Region VIII
Denver Federal Center
Bldg. 710, Box 25267
Denver, CO 80225-0267
303-235-4800

Platte River Recovery Implementation Program (PRRIP):
If the project is located in the drainage basin of the Platte River, you must contact the coordinator listed below. Guidance documents regarding PRRIP are available at www.fws.gov/platteriver/. See in particular "Guidance for Water-Related Projects in Wyoming", especially Attachment D.

Jeff Cowley, River Basin Coordinator
Wyoming State Engineer's Office
122 West 25th Street
Herschler Building, 4 East
Cheyenne, WY 82002
307-777-7641
Example Letter to Federal and State Contacts:
(Attach map of project area; USGS 7.5 minute topographic map is appropriate.)

DATE

APPLICANT NAME
APPLICANT ADDRESS

AGENCY
AGENCY CONTACT/ADDRESS

ATTN: AGENCY CONTACT PERSON

RE: Compliance with Federal Authorities to obtain a State Revolving Fund Loan for
STATE PROJECT NAME

Dear AGENCY CONTACT PERSON:

The enclosed map shows the proposed project area for the PROJECT NAME. This area is
located in GIVE LEGAL ADDRESS SECTION(S) TOWNSHIP(S) RANGE(S).

This project includes PROJECT DESCRIPTION. Completion of the project is expected in
COMPLETION DATE.

The Wyoming State Revolving Fund Program and the federal funding agency, the United States
Environmental Protection Agency Region VIII, are committed to complying with federal
requirements and Executive Orders that apply in federal financial assistance. We are contacting
you to ensure this project complies with applicable authorities under your agency's jurisdiction.

Please review this project with respect to your agency's concerns and provide a response to me.
If your agency has concerns and will not issue a clearance, please contact me at your earliest
convenience concerning what steps must be taken to address your concerns.

If you require additional information or require clarification, please contact me at PHONE
NUMBER. Thank you for your attention to this matter.

Sincerely,

APPLICANT PROJECT MANAGER

Encl.: Project area map for PROJECT NAME
cc: Stan Miller, SRF Project Engineer, stanley.miller@wyo.gov (electronic pdfs preferred)
Example Categorical Exclusion Determination:

CATEGORICAL EXCLUSION DETERMINATION
For the (OWNER AND PROJECT NAME),
(PROJECT COUNTY) County, Wyoming

The Department of Environmental Quality/Water Quality Division (DEQ) has conducted a review of the proposed (PROJECT NAME) project in accordance with EPA and State of Wyoming procedures for implementing the State Environmental Review Process. DEQ has determined that this project is eligible for a categorical exclusion. Accordingly, DEQ is exempting the project from further substantive environmental review requirements under the State Environmental Review Process. Neither an Environmental Assessment/Finding of No Significant Impact nor an Environmental Impact Statement/Record of Decision will be required for the proposed action. The following is a brief description of the situation and the proposed action and a brief statement of how the action meets the criteria for a categorical exclusion.

(PROVIDE PROJECT DESCRIPTION, AND ESTIMATED COSTS, SRF LOAN AMOUNT, REPAYMENT METHOD, AMOUNT OF INCREASE IN USER RATES/FEES/ASSESSMENTS, SIMILAR TO THAT USED IN THE PUBLIC MEETING NOTICE)

The (OWNER) is aware of and accepts the fact that they will be responsible for any required mitigative actions associated with and including storm water runoff, erosion control, archeological/historic artifacts, and air quality concerns. These will be part of the standard State Revolving Funds Program contract conditions. (briefly describe noteworthy environmental issues/impacts/mitigation, if any)

DEQ is granting an exclusion because (PROVIDE JUSTIFICATION FOR CAT EX, EXAMPLES: PROJECT REPLACES OR REHABILITATES EXISTING INFRASTRUCTURE, PROJECT CONSISTS OF MINOR UPGRADES OR MINOR EXPANSIONS TO EXISTING INFRASTRUCTURE, PROJECT CONSTRUCTS MINOR ANCILLARY FACILITIES ADJACENT TO OR ON THE SAME PROPERTY AS EXISTING FACILITIES). This project will be completely constructed in previously disturbed ground, specifically ground disturbed by (PROVIDE DESCRIPTION OF PREVIOUSLY DISTURBED GROUND, E.G. A PREVIOUSLY INSTALLED SEWER, WATERLINE, STORAGE TANK, ROADWAY, ETC.). DEQ has determined that exempting the proposed project from further review under the State Environmental Review Process will not result in adverse impacts to the population or the area of (PROJECT TOWN OR CITY, AND COUNTY) County, Wyoming.

The documentation to support this decision will be on file in the DEQ Cheyenne Office and is available for public scrutiny upon request. Comments concerning this decision may be addressed to Stan Miller, SRF Project Engineer, Department of Environmental Quality, 200 W. 17th St. Suite 200, Cheyenne, WY 82002, Tel. (307) 777-6371, FAX (307) 635-1784, email: stanley.miller@wyo.gov.

Publish Date:
Example Environmental Assessment Report Outline:
(This example is based primarily on a treatment plant project. Some parts of this example may need modification to fit the actual project type.)

I. SUMMARY

A. PROJECT IDENTIFICATION

Project:
Applicant:
Address:

B. CONTACT PERSON

Name and title
City/Town/District
Address

C. ABSTRACT

(Give a brief overview of the proposed project. State that it will have no significant adverse impact, if appropriate.)

D. COMMENT PERIOD

In conformance with the requirements of the Wyoming Environmental Review Process, the Finding of No Significant Impact (FNSI) will be subject to a 30-day public review period. The FNSI will be available for public review at the DEQ Cheyenne Office. Any Comments received will be given due consideration. Comments should be addressed to:

Stan Miller, SRF Project Engineer, stanley.miller@wyo.gov
Department of Environmental Quality
200 W. 17th St. Suite 200
Cheyenne, WY 82002

II. PURPOSE AND NEED FOR ACTION

(DWSRF Loans: Describe the public health issues and/or non-compliance with drinking water standards. CWSRF loans: Describe any non-compliance with DEQ regulations or WYPDES permit and other public health issues.)

III. ALTERNATIVES INCLUDING THIS PROPOSED ACTION

A total of ___ alternatives were examined for the purposes of correcting the (drinking water/wastewater) deficiencies and providing adequate capacity for a ___ year planning period.
(The planning period should be at least as long at the loan repayment term, and 20 years minimum.)

A. ALTERNATIVE 1 - NO ACTION ALTERNATIVE

(Briefly describe and evaluate the relevant future environmental conditions without the project being implemented.)

B. ALTERNATIVE 2 - PROPOSED ALTERNATIVE

(Briefly describe the proposed alternative, with cost data. A more detailed description will be given in section IV. Alternatives can be given a name rather than a number if appropriate.)

C. ALTERNATIVE 3 (etc., or OTHER ALTERNATIVES CONSIDERED)

(Continue with any additional alternatives that were considered. Describe commensurate with the level of analysis applied. Some alternatives are rejected early on in the process while others undergo a more detailed analysis similar to the proposed alternative.)

IV. AFFECTED ENVIRONMENT

A. DESCRIPTION OF PLANNING AREA

(Describe the planning area with location, climatological, economic, employment and other pertinent information.)

B. PROPOSED ALTERNATIVE

(Describe the chosen alternative in more detail. Reference map of project area/proposed alternative. Describe why the proposed alternative was chosen.)

C. POPULATION AND FLOW PROJECTIONS

(Describe the population and water or wastewater projections.)

V. ENVIRONMENTAL IMPACTS OF THE PROPOSED PROJECT

A. DIRECT AND INDIRECT IMPACTS

(List all impacts beneficial and adverse, direct, cumulative, and indirect. Direct impacts are caused by the action and occur at the same time and place. Indirect impacts are caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable. Indirect effects may include changes in population density or growth rate, and related effects on air and water and other natural systems, including
ecosystems. Cumulative impacts are the sum of past, present, and reasonably foreseeable actions, either private or public, in the project area.

The existing and 20-year (or other design time frame) population and land use in the pertinent service area will need to be illustrated and described. If the population and land use impacts extend beyond the service area, the analysis area will need to be expanded to the entire impacted area. The project applicant shall identify where new growth is likely to occur and potential impacts of the growth. The applicant will need to inform the public regarding potential impacts of the growth and identify any planning efforts, ordinances, regulations, and procedures that are in place to mitigate or prevent impacts in Section VI below.

1. (discuss the positive effect of solving the problems the project is designed to correct)

2. (discuss increased growth the project may induce, if applicable, and any other social or economic effects)

3. (Discuss outcome of contact with SHPO. Reference appropriate appendix for copies of correspondence and studies.)

4. (Discuss .... Corps of Engineers....)

5. (Discuss .... NRCS....)

6. (Discuss .... US Fish & Wildlife....)

7. (Discuss .... DEQ/AQD....)

8. (Discuss .... Wyoming Game and Fish....)

9. (Discuss .... floodplain manager ..... , if applicable)

10. (Discuss .... SEO .... , if applicable)

11. (others as appropriate)

**B. UNAVOIDABLE ADVERSE IMPACTS**

1. There will be minor, short term increases in noise and ambient air particulate levels and increased traffic in the immediate vicinity of the construction activities.

2. Construction of the project will result in the commitment of resources including capital, manpower and materials.
3. Some minor short term increases in sedimentation may result from runoff from soils exposed in the course of construction.

4. (others?)

VI. MITIGATION OF ADVERSE IMPACTS

After an evaluation of anticipated impacts of construction and operation of the proposed facilities, the following mitigation alternatives and recommendations were selected to minimize or eliminate these impacts.

1. Routine mitigation techniques for limiting direct runoff from disturbed areas and dewatering conduits, including berms, sediment traps, etc., which will be effective in limiting sediment into water courses.

2. Dust control measures will be required if dust from the access road and construction site becomes a nuisance.

3. Vegetation which is disturbed will be re-established in accordance with local land-use type.

4. Additional landscaping of the facility may be required to minimize the aesthetic impact or to enhance the visual quality of the new facility. This may include removing berms of the existing plant which will not be used for flood control and planting the area with local species which blend with the surrounding area. (if applicable)

5. Color selection of the building should be made to minimize contrast with the dominant color patterns. (if applicable)

6. (other mitigation required for other known issues, such as wildlife surveys, time constraints, flow mitigation, etc., if applicable)

VII. PUBLIC PARTICIPATION

A public meeting was held on _________ ___, 20__ at the (City/Town) of ________ (City/town hall) to present the alternatives considered. Comments were solicited and questions were answered at this meeting. (summarize public comments and responses, also reference appropriate appendix with Public Notice and minutes)

VIII. REFERENCE DOCUMENTS

1. Planning Document, City/Town of ___________; (consulting engineer); Date.
2. Local Planning Document
3. (other documents)
IX. AGENCIES CONTACTED

1. Wyoming State Historic Preservation Office
2. US Army Corps of Engineers
3. USDA Natural Resources Conservation Service
4. US Fish and Wildlife Service
5. WDEQ Air Quality Division
6. Wyoming Game and Fish Department
7. Local Flood Plain Manager (if applicable)
8. Wyoming State Engineer's Office (if applicable)
9. (others?)

X. APPENDICES
(Appendices should contain all correspondence sent to agencies, all correspondence received from agencies, all studies/reports sent to agencies, affidavit of publication for public meeting notice, public meeting minutes, etc.)
Example Finding of No Significant Impact:

FINDING OF NO SIGNIFICANT IMPACT

TO ALL INTERESTED GOVERNMENTAL AGENCIES AND PUBLIC GROUPS:
As required by guidelines for the Wyoming State Environmental Review Process, the Wyoming Department of Environmental Quality (DEQ) has performed an environmental review on the proposed State Revolving Fund (SRF) supported action below:
Project: ________________
Location: ____________ County, Wyoming
Total Cost/SRF share: $xxx/$xxx

The proposed project is (describe)

(discuss the proposed financing and the cost impact to users, similar to that given in the public meeting notice)

No significant adverse environmental impacts will occur due to this project. The proposed project will not adversely affect wetlands, prime agricultural lands, threatened or endangered species habitat, historical sites, or sites with environmentally sensitive characteristics. The primary impacts of the project will be short-term and construction related. (briefly describe noteworthy environmental issues/impacts/mitigation, if any)

The review process did not indicate significant environmental impacts would result from the proposed action. Consequently, DEQ has made a preliminary decision not to prepare an Environmental Impact Statement (EIS). DEQ has taken this action on the basis of a review of the environmental assessment document and other supporting data, which are on file at the DEQ Cheyenne Office. The public may review these documents upon request.

Comments supporting or disagreeing with this decision may be submitted for DEQ consideration. Address all questions and comments to Stan Miller, SRF Project Engineer, Department of Environmental Quality, 200 W. 17th St. Suite 200, Cheyenne, WY 82002, Tel. (307) 777-6371, FAX (307) 635-1784, email: stanley.miller@wyo.gov. After evaluating comments received, DEQ will make a final decision; however, DEQ will take no administrative action for at least 30 days after publication of this Finding of No Significant Impact.

Publish Date: