



Brian Schweitzer, Governor
Richard H. Opper, Director

P.O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • www.deq.mt.gov

June 8, 2012

Shawna Verdi, President,
River Rock County Water and Sewer District
265 North River Rock Drive
Belgrade, Montana 59714

RE: River Rock Water and Sewer District
Wastewater Treatment Facility Improvements
WPCSRF Program #: C302224

Enclosed is a copy of the Notice of Supplemental Finding of No Significant Impact (FONSI) for the River Rock County Water and Sewer Wastewater Treatment Facility Improvement project. Please print the Supplemental FONSI letter in one publication of your local paper under legal advertising and return a copy of the proof of advertisement to me. Please have this FONSI, the EA, the May 2010 Alternative Analysis Report, and the original FONSI available for public review at your office. We have distributed the notice to the enclosed list of agencies.

If you have any questions, please do not hesitate to contact me at (406) 444-5323.

Sincerely,

Jerry Paddock, P.E.
Environmental Engineer
Technical & Financial Assistance Bureau

Encl.

cc: Marty Gagnon, MMI, Bozeman



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SUPPLEMENTAL FINDING OF NO SIGNIFICANT IMPACT

TO ALL INTERESTED GOVERNMENTAL AGENCIES AND PUBLIC GROUPS

As required by state and federal rules for determining whether an Environmental Impact Statement is necessary, a supplemental environmental review has been performed on the proposed action below:

| | |
|----------------|---|
| Project | River Rock County Water & Sewer District Wastewater Treatment Facility Improvements |
| Location | Belgrade, Montana |
| Project Number | WPCSRF Project # C302224 |
| Total Cost | \$5,876,000 |

As discussed in the March 2012 River Rock County Water & Sewer District Wastewater Treatment Facility Improvements Environmental Assessment (EA), the May 2010 Wastewater System Preliminary Engineering Report (PER) recommended that the District make significant changes to their wastewater treatment system. The District's current wastewater treatment facility (WWTF) utilizes three lagoon cells for treatment of the wastewater. Following treatment in either of the two primary cells, the treated wastewater can be directed into the third cell for further treatment or disposal, or into one of seven additional small infiltration/percolation (IP) cells. The primary cells are aerated and lined. The third cell is not aerated or lined; however, it can either be operated as a facultative treatment cell or as an IP cell.

The purpose of the proposed treatment facility upgrade is to meet discharge limits and compliance schedules for the District's recently issued Montana Ground Water Pollution Control System discharge permit. New discharge limits are now required for the effluent prior to discharge for total nitrogen, nitrate, BOD₅, and *E. coli* bacteria, as well as groundwater compliance limits at two sampling/monitoring wells located in the mixing zone. The existing treatment system cannot provide the level of treatment required by the discharge permit, especially for the nitrate and *E. coli* limits. To address the effluent and groundwater nitrate and *E. coli* limits, the wastewater treatment facility will be required to upgrade to an advanced wastewater treatment system. The District proposes construction of a new Membrane Bioreactor (MBR) facility in the footprint of the third (treatment/IP) cell. This method of construction will allow the two existing treatment cells to remain in operation during the MBR facility construction. The proposed MBR facility will consist of an influent and effluent flow measurement flumes, two fine screens (2-mm), washer/compactor and grit removal system, a package MBR system for biological treatment and clarification (anoxic/aeration basins and blower system), and an ultraviolet (UV) disinfection system.

A Finding of No Significant Impact (FONSI) for this project was issued by the Montana Department of Environmental Quality on March 15, 2012. This FONSI is a supplement to the previously issued FONSI and the purpose of this supplement is to address and notify the public

of recent changes in the project cost for the proposed wastewater treatment system.

The lowest construction bid received in April 2012 for the proposed project was approximately \$1,650,000 over the estimated project construction budget of \$3,157,000. As a result of the higher construction cost, the District proposes to obtain a revenue bond to help fund the project. However, the District does not plan to raise rates or yearly property assessments above what was planned for the original project budget. To pay for the revenue bond, the District will redirect a portion of the money previously slated for the depreciation fund (extra money which was included in the original sewer rate increase), implement several cost saving measures to the construction contract, and use additional District funds.

Therefore, the estimated administration, design and construction cost for the upgrade project is now approximately \$5.876 million. The District will fund the project by contributing about \$556,000 and using a \$5,320,000 loan from the Water Pollution Control State Revolving Fund (WPCSRF) program. Of the loan amount, \$300,000 will be forgiven and the remaining \$5.020 million will have an interest rate of 3.0% for 20 years (the WPCSRF program is expecting to reduce their normal interest rate from 3.75% to 3.00% in SFY13). The proposed monthly residential user rates outlined in the March EA will not change.

Except for these changes, all aspects and conclusions made in the March 2012 Environmental Assessment remain accurate.

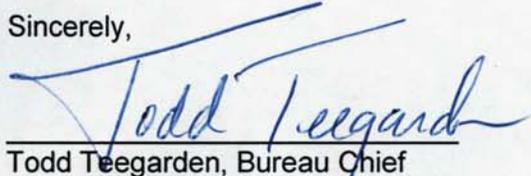
The environmental review record, including the 2012 Environmental Assessment, and the original FONSI, are available for public examination during normal working hours at the following locations:

Jerry Paddock, P.E.
Department of Environmental Quality
1520 East Sixth Avenue
P.O. Box 200901
Helena, MT 59620-09011
jpaddock@mt.gov

Shawna Verdi, President
River Rock Water and Sewer District
265 North River Rock Drive
Belgrade, MT 59714

Since the revisions discussed above are minor and do not cause any significant adverse environmental impacts, the MDEQ has concluded that the proposed project complies with the requirements of the National Environmental Policy Act (NEPA) and the Montana Environmental Policy Act (MEPA).

Sincerely,



Todd Teegarden, Bureau Chief
Technical & Financial Assistance Bureau
Planning Prevention & Assistance Division
Montana Department of Environmental Quality