6 April 2015

Mr. Edward Munn, City Manager
City of Gastonia/Two Rivers Utilities
PO Box 1748
Gastonia, North Carolina 28053-1748

SUBJECT: Engineering Report Approval
Project Number: WIF-1879
PWS ID: 0136010
Applicant: City of Gastonia/Two Rivers Utilities
Gaston County

Dear Mr. Munn:

The Division of Water Infrastructure has completed its review and approved the subject engineering report. The proposed project includes renovating existing WTP facilities and upgrading existing sedimentation basins with no increase in permitted treatment capacity.

Please note that the milestones below must be met to maintain assurance of funding under the Drinking Water State Revolving Fund (DWSRF). If you do not meet any of these milestones, you must reapply if you wish to continue to seek DWSRF funding for this project. We accept applications once per year, fund projects based on priority and availability of funds.

| Bid and Design Package must be submitted by: | September 1, 2015 |
| Bid and Design Package must be approved by: | January 4, 2016 |
| Division of Water Infrastructure’s Authority to Award must be issued by: | May 2, 2016 |
| Construction contract(s) must be executed by: | June 1, 2016 |
If you have any questions concerning this matter, please contact Matthew B. Rushing, E.I. of our staff at (919) 707-9060 or, if more convenient, by email at matthew.rushing@ncdenr.gov.

Sincerely,

Seth Robertson, P.E., Chief
State Revolving Fund Section

Attachment: Categorical Exclusion

cc: Donald Garbrick, P.E., Pease Engineering & Architecture, P.C., Consulting Engineer
SRF File (EREID-AL)
Mark Hubbard, P.E., NCDENR
Susan Kubacki, NCDENR
Request for Categorical Exclusion
from Substantive Environmental Review (CE)

Instructions:
1. Provide the WIF number for the project for which you are requesting consideration.
2. Fill out the Applicant's formal name. For a county authority, please specify which county. "County Water District VII" is not a complete name; "ABC County Water District VII" is a complete name.
3. Check all applicable exclusions. Failure to check an applicable exclusion will result in the rejection of your request.
4. Either the "authorized representative" or the Professional Engineer must sign the form. If the Professional Engineer signs the form, the Professional Engineer must seal the form.
5. Submit as part of the ER/EID, following the "Factsheet: Instructions for Applicants Seeking a Federal Categorical Exclusion" available at http://portal.ncdenr.org/web/ww/dinkingwater/factsheets.

WIF No.: 1879
Applicant: City of Gastonia
Project Name: WTP Renovation and Upgrade Project

The proposed project implements renovations to the existing facilities including upgraded office space, new roofing and roof line, energy efficient windows, façade renovations, screening wall or fencing, exterior painting, HVAC improvements, and a new laboratory will be constructed. Demolition of the North Cleanwell and Sedimentation Basins 1 and 2 will occur. Sedimentation Basins 11 through 13 will be constructed in its place and equipped with plate settlers, automated sludge removal systems, and membrane filter systems. A building addition to house the membrane filtration system will be constructed. Improvements proposed for Sedimentation Basins 5 through 10 involve protecting the existing structures from degradation. These improvements include wrapping the existing walkways, wall sections and bottoms within the sedimentation basins. Upon completion of the concrete repair, the entire surface of the sedimentation basins would be coated with an epoxy system.

I certify that the project described in the application for state-supplied financial assistance meets all of the applicable general criteria listed in 15A NCAC 01C .0408 (1), and consists solely of activities exempted under the specific criteria of 15A NCAC 01C .0408 (2) checked below:

Please check all the exclusion(s) that apply:

☐ Potable water systems including the construction or rehabilitation of wells for water supply purposes with associated groundwater withdrawals of less than 1,000,000 gallons per day where such withdrawals are not expected to cause alterations in established land use patterns, or degradation of groundwater or surface water quality. [15A NCAC 01C .0408 (2)(c)].

Other potable water systems including the following:

☐ Improvements to water treatment plants that involve less than 1,000,000 gallons per day added capacity and total design withdrawal less than one-fifth of the 7-day, 10-year low flow of the contributing stream; [15A NCAC 01C .0408 (2)(b)(i)]

☒ Improvements not intended to add capacity to the facility; [15A NCAC 01C .0408 (2)(b)(ii)]

☐ Installation of waterlines and appurtenances in existing rights-of-way for streets or utilities, or water lines and appurtenances less than five miles in length and having only directional bore stream crossings or no stream crossings; [NCGS § 113A-12(1) & 15A NCAC 01C .0408 (2)(b)(iii)]

☐ Construction of water tanks, booster pumping or secondary or remote disinfection stations; [15A NCAC 01C .0408 (2)(b)(iv)]

☐ Dams less than 25 feet in height and having less than 50 acre-feet or storage capacity [15A NCAC 01C .0408 (2)(h)] (Notes: #1 Dam projects are ineligible for federally recognized CE. #2 Only off-stream raw water reservoirs for pre-treatment purposes are eligible for SRF funding.)
I further certify that the project does not have a significant direct, indirect, cumulative or secondary adverse environmental impact as described in 15A NCAC 01C .0306, and that none of the following descriptions apply to the project:

- the proposed activity may have a potential for significant adverse effects on wetlands; surface waters such as rivers, streams and estuaries; parklands; game lands; prime agricultural or forest lands; or areas of local, state or federally recognized scenic, recreational, archaeological, ecological, scientific research or historical value, including secondary impacts; or would threaten a species identified on the Department of Interior's or the state's threatened and endangered species lists; [15A NCAC 01C .0306 (1)] or

- the proposed activity could cause changes in industrial, commercial, residential, agricultural, or silvicultural use concentrations or distributions which would be expected to create adverse water quality, instream flow, air quality, or ground water impacts; or affect long-term recreational benefits, fish, wildlife, or their natural habitats; [15A NCAC 01C .0306 (2)] or

- the proposed activity has secondary impacts, or is part of cumulative impacts, not generally covered in the approval process for the state action, and that may result in a potential risk to human health or the environment; [15A NCAC 01C .0306 (3)].

Therefore, I believe our project is eligible for consideration for a CE from the State's environmental assessment review processes and request that the North Carolina Department of Environment and Natural Resources (DENR) concur with this determination.

I understand that DENR may determine that the proposed activity is of such an unusual nature or has such widespread implications that a concern for its environmental effects has been identified by DENR or expressed to DENR. I understand that, in this case, the activity may be ineligible for CE under 15A NCAC 01C .0306 (4).

☐ We are applying for a Drinking Water State Revolving Fund (DWSRF) loan and include the required comment letters.  OR

☐ We are not applying for the DWSRF.

Keith R. Garbrick
Authorized Representative or Engineer Printed Name

/\ 3-31-2015
Authorized Representative or Engineer Signature & Date

Vice President
Authorized Representative or Engineer Title

State Use Only (Review)

Reviewed by:  
Date:  

Departmental Approval:  
Date:  

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April 6, 2015

Mr. Matthew Rushing
North Carolina Department of Environment and Natural Resources
Division of Water Infrastructure
1633 Mail Service Center
Raleigh, NC 27699-1634

Reference: City of Gastonia
Water Treatment Plant Renovation and Upgrade
City of Gastonia, Gaston County, North Carolina

Subject: Categorical Exclusion Submission Concerning Potentially Interested Agencies
Drinking Water State Revolving Loan Fund
Project No.: WIF-1879
Pease Commission Number: 213076.01

Dear Mr. Rushing:

To satisfy the requirements of the requested Categorical Exclusion, for the subject project, concerning comments from potentially interested agencies, we submit the following:

In regards to the State Historic Preservation Office (SHPO), we state that the components of this project which include the placement of equipment, renovation and upgrades to the existing City of Gastonia’s Water Treatment Plant will take place solely within the facilities existing fence/property line.

In regards to the US Fish and Wildlife Service (USFWS), we state that the components of this project which include the addition of equipment, renovation and upgrades to the existing City of Gastonia’s Water Treatment Plant will not change the facility’s influent or effluent capacities. In other words, there will be no increase in the Water Treatment Plant’s capacity.

In regards to the US Army Corps of Engineers (USACE), we state that construction activities at the existing City of Gastonia’s Water Treatment Plant will not occur in a stream, lake, or other body of water or in wetlands. Also, the facility itself is not in a stream, lake, or other body of water or in wetlands. I have determined that no US Army Corps of Engineers Permit is required.

Thank you for your time and please do not hesitate to call me with any questions or comments regarding the Categorical Exclusion, the statements in this letter, or the project in general (Direct: 704-941-2154, Email: kgarbrick@labellapc.com).
Sincerely,

[Signature]

Keith R. Garbrick, P.E.
Vice President

cc: Matt Bernhardt – City of Gastonia Director of Public Works and Utilities
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### Categorical Exclusion Review Checklist for DWSRF Projects

**Applicant:** Gastonna/Two Rivers Util.-WTP  
**WIF #:** 1879  
**PWSID:** 0136010  

### Required for all Categorical Exclusions (CE’s)

<table>
<thead>
<tr>
<th>Cross Cutting Authority</th>
<th>Responsible Agency, Action(s) Taken &amp; Dates</th>
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- Blanket letter from applicant OK? **4-6-15**  
- Comments from agency OK? |
| National Historic Preservation Act of 1966, PL 89-665, as amended | USACE  
- By "no permits required" comment letter from USACOE  
- By sealed & signed "no jurisdiction" blanket comment letter from applicant’s engineer  
- By sealed & signed "no permits required" blanket comment letter from applicant’s engineer **4-6-15**  
- By sealed & signed "all permits in place" blanket comment letter from applicant’s engineer |
| Protection of Wetlands, Executive Order 11990 | USFWS for signoff  
- Comments from USFWS OK  
- By sealed & signed blanket letter from applicant’s engineer for project scopes that don’t require comments (see factsheet) **4-6-13**  
- By sealed & signed blanket letter from applicant’s engineer after 30 days pass without USFWS comment |
| Endangered Species Act, Pub. L. 93-205, as amended | Loans and Grants group and Regional Engineer  
Based on the discussions with the regional engineer during the priority review period:  
1. Does the potentially affected community include an EJ community?  
   - Yes  
   - No  
2. Are there significant environmental impacts likely to fall disproportionately on minority and/or low-income members of the community and/or tribal resources?  
   - Yes  
   - No |
| Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended | Division of Coastal Management (DCM)  
1. Is this project located in any of the following counties: Beaufort, Bertie, Brunswick, Camden, Carteret, Chowan, Craven, Currituck, Dare, Gates, Hertford, Hyde, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Tyrrell, and Washington?  
   - Yes  
   - No  
2. If the answer to question #1 is “Yes”, then DCM must find if the project is in an Area of Environmental Concern (AEC) established by the Coastal Resources Commission. Is it in one of these AEC’s?  
   - Yes  
   - No  
   - DCM Response Date:  
3. If the answer to question #2 is “Yes”, then the project requires a CAMA permit. Does the project have a CAMA permit?  
   - Yes  
   - No  
   - CAMA Permit Date: |
| Wild and Scenic Rivers Act, Pub. L. 90-542, as amended |  
| Environmental Justice, Executive Order 12898 |  
- Project will rehab existing WTP which will benefit entire system.  
- MBK |
| Coastal Barrier Resources Act, Pub. L. 97-348 |  
| Coastal Zone Management Act, Pub. L. 92-583, as amended |  

☐ CE posted on Web? (optional)