

**Environmental Assessment
Determinations and Compliance Findings
for HUD-assisted Projects
24 CFR Part 58**

Project Information

Project Name: Water-Treatment-Plant-Construction

HEROS Number: 900000010383870

Start Date: 02/29/2024

Responsible Entity (RE): City of Dayton, Dayton MN,

RE Preparer: Joanne Cho

State / Local Identifier:

Certifying Officer: Zach Doud

Grant Recipient (if different than Responsible Entity):

Point of Contact:

Consultant (if applicable): Stantec

Point of Contact: Joanne Cho

40 CFR 1506.5(b)(4): The lead agency or, where appropriate, a cooperating agency shall prepare a disclosure statement for the contractor's execution specifying that the contractor has no financial or other interest in the outcome of the action. Such statement need not include privileged or confidential trade secrets or other confidential business information.

- ✓ By checking this box, I attest that as a preparer, I have no financial or other interest in the outcome of the undertaking assessed in this environmental review.

Project Location: 14695 River Hills Pkwy, Dayton, MN 55327

Additional Location Information:

The project is located across from Elsie Stephens Park.

Direct Comments to:

Description of the Proposed Project [24 CFR 50.12 & 58.32; 40 CFR 1508.25]:

The City of Dayton is a rapidly growing community, and with that growth the demands on the water system have increased substantially. The City draws water from the Tunnel City-Wonewoc Aquifer for all of its wells. The water drawn from the aquifer has a high iron and manganese content, which causes discoloration and odors at the faucet in residents' homes. This has led to a number of complaints about the quality of the water being supplied. Currently, the City does not have a water treatment plant, and treats the raw water with chlorine, fluoride and a polyphosphate iron inhibitor. This minimal treatment allows the City to control the product being delivered to a degree, but the city has problems trying to consistently stay within the boundaries prescribed by the EPA for secondary standards. This project will allow the City of Dayton to construct and operate a Wellhead Treatment Plant for the Treatment of Groundwater to a standard that will meet all secondary standards of the Minnesota Department of Health. The proposed Project involves the construction of a wellhead treatment plant, which includes an 18 ft. deep excavation for the installation of the below ground concrete basins, the installation of an H-pile and timber lagging earth retention system, the construction of a treatment plant facility above the below ground basins, installation of interior filter equipment, and connection of site utilities.

Statement of Purpose and Need for the Proposal [40 CFR 1508.9(b)]:

The City of Dayton is a rapidly growing community, and with that growth the demands on the water system have increased substantially. The City draws water from the Tunnel City-Wonewoc Aquifer for all of its wells. The water drawn from the aquifer has a high iron and manganese content, which causes discoloration and odors at the faucet in residents' homes, leading to a number of complaints about the quality of the water being supplied. Currently, the City does not have a water treatment plant, and treats the raw water with chlorine, fluoride and a polyphosphate iron inhibitor. This minimal treatment allows the City to control the product being delivered to a degree, but the city has problems trying to consistently stay within the boundaries prescribed by the EPA for secondary standards. The purpose of this project is to construct and operate a water treatment plant for the treatment of groundwater to a standard that

will meet all secondary standards of the Minnesota Department of Health. This project will continue to meet the water supply needs of the Dayton community.

Existing Conditions and Trends [24 CFR 58.40(a)]:

The proposed project will be built immediately north of the existing Wellhouse 4. Generally, the land use around the project area includes single family residential homes, with additional single-family residential developments occurring west of the project site. Given that the existing parcel is already being used for an existing wellhouse, the construction of a new water treatment plant is not anticipated to change the existing land use or zoning of the project location. With residential homes either already built or planned for in the future, no notable changes to the project's surrounding environment are anticipated. Additionally, as the site is located outside the 100- and 500-year floodplain, no impacts to floodplains or wetlands are anticipated.

Maps, photographs, and other documentation of project location and description:

Determination:

✓	Finding of No Significant Impact [24 CFR 58.40(g)(1); 40 CFR 1508.13] The project will not result in a significant impact on the quality of human environment
	Finding of Significant Impact

Approval Documents:

[Dayton Signed EA FONSI form.pdf](#)

7015.15 certified by Certifying Officer
on:

7015.16 certified by Authorizing Officer
on:

Funding Information

Grant / Project Identification Number	HUD Program	Program Name	Funding Amount
B-22-CP-MN-0492	Community Planning and Development (CPD)	Community Project Funding (CPF) Grants	\$4,000,000.00

**Estimated Total HUD Funded,
Assisted or Insured Amount:** \$4,000,000.00

**Estimated Total Project Cost [24 CFR 58.2 (a)
(5)]:** \$4,000,000.00

Compliance with 24 CFR §50.4, §58.5 and §58.6 Laws and Authorities

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §50.4, §58.5, and §58.6	Are formal compliance steps or mitigation required?	Compliance determination (See Appendix A for source determinations)
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR §50.4 & § 58.6		
Airport Hazards Clear Zones and Accident Potential Zones; 24 CFR Part 51 Subpart D	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	The project site is not within 15,000 feet of a military airport or 2,500 feet of a civilian airport. The project is in compliance with Airport Hazards requirements.
Coastal Barrier Resources Act Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	This project is not located in a CBRS Unit. Therefore, this project has no potential to impact a CBRS Unit and is in compliance with the Coastal Barrier Resources Act. The closest CBRS Unit is in Duluth, MN which is more than 125 miles northeast of the proposed project location.
Flood Insurance Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Based on the project description the project includes no activities that would require further evaluation under this section. The project does not require flood insurance or is excepted from flood insurance. While flood insurance may not be mandatory in this instance, HUD recommends that all insurable structures maintain flood insurance under the National Flood Insurance Program (NFIP). The project is in compliance with Flood Insurance requirements.
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR §50.4 & § 58.5		
Air Quality Clean Air Act, as amended,	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Based on the project description, this project includes no activities that would

particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93		require further evaluation under the Clean Air Act. The project is in compliance with the Clean Air Act.
Coastal Zone Management Act Coastal Zone Management Act, sections 307(c) & (d)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	This project is not located in or does not affect a Coastal Zone as defined in the state Coastal Management Plan. The project is in compliance with the Coastal Zone Management Act. The project is not within proximity of a Coastal Zone. The closest Coastal Zone in MN is in the Duluth, MN area which is more than 125 miles northeast of the project location.
Contamination and Toxic Substances 24 CFR 50.3(i) & 58.5(i)(2)]	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site contamination was evaluated as follows: None of the above. On-site or nearby toxic, hazardous, or radioactive substances that could affect the health and safety of project occupants or conflict with the intended use of the property were not found. The project is exempt from radon consideration. The project is in compliance with contamination and toxic substances requirements.
Endangered Species Act Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	This project May Affect, but is Not Likely to Adversely Affect, listed species, and informal consultation was conducted. With mitigation, identified in the mitigation section of this review, the project will be in compliance with the Endangered Species Act.
Explosive and Flammable Hazards Above-Ground Tanks)[24 CFR Part 51 Subpart C	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Based on the project description the project includes no activities that would require further evaluation under this section. The project is in compliance with explosive and flammable hazard requirements. Minnesota Pollution Control Agency (MPCA)'s database was reviewed to find records -past and present- of any hazardous facilities within or adjacent to the project site. However, no records were found.
Farmlands Protection Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	This project does not involve any activities that could potentially convert agricultural land to non-agricultural use and is in compliance with the Farmland

		Protection Policy Act. Although the attached soil report indicates the presence of prime farmland in the proposed project area, parcel tax data from Hennepin County shows that the project is situated on City property currently identified as "vacant land-residential." Additionally, the project is surrounded by low-density residential developments and is not located on land preserved for farming, as the new construction will occur just east of the existing driveway.
Floodplain Management Executive Order 11988, particularly section 2(a); 24 CFR Part 55	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	This project does not occur in a floodplain. The project is in compliance with Executive Order 11988.
Historic Preservation National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Based on the Section 106 consultation, the project will have no adverse effect on historic properties. Since ground disturbance had occurred prior to consultation (actions which were shared and reported to SHPO), additional mitigation measures were provided to the City by SHPO. These measures aim to ensure the protection of any historic or archaeological sites/resources discovered in the future and to better familiarize the City of Dayton with the Section 106 process for future projects. All correspondences with SHPO are attached to this section.
Noise Abatement and Control Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Based on the project description, this project includes no activities that would require further evaluation under HUD's noise regulation. The project is in compliance with HUD's Noise regulation. The proposed project will be the construction of a water treatment plant. The construction of the new treatment plant will not create any additional noise pollution that would disturb the existing ambiance.
Sole Source Aquifers Safe Drinking Water Act of 1974, as	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	The project is not located within a sole source aquifer area. The project is in compliance with Sole Source Aquifer

amended, particularly section 1424(e); 40 CFR Part 149		requirements. A map is attached to show that the closest sole source aquifer is located more than 60 miles north of Dayton, MN, near Mille Lacs Lake. Impacts to Mille Lacs Lake or the Mille Lacs SSA is not anticipated.
Wetlands Protection Executive Order 11990, particularly sections 2 and 5	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	The project will not impact on- or off-site wetlands. The National Wetland Inventory (NWI) map provided as attachment notes the presence of a potential freshwater forested/shrub wetland. However, a previously conducted wetland delineation for the River Hills residential development, the single family residential homes located directly east of the proposed project, determined that no wetlands were present in this area. A site inspection was conducted in January 2024, which verified that no wetlands were present. The City received confirmation from Minnesota Board of Water & Soil Resources (BWSR) that there are no wetlands present and issued a No-Loss (8420.0415) determination. The notice of decision of No-Loss from BWSR is provided as an attachment.
Wild and Scenic Rivers Act Wild and Scenic Rivers Act of 1968, particularly section 7(b) and (c)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	This project is not within proximity of a NWSRS river. The project is in compliance with the Wild and Scenic Rivers Act. The St. Croix River is the only Designated Wild and Scenic River in Minnesota. The project is located more than 30 miles west of the St. Croix River.
HUD HOUSING ENVIRONMENTAL STANDARDS		
ENVIRONMENTAL JUSTICE		
Environmental Justice Executive Order 12898	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	No adverse environmental impacts were identified in the project's total environmental review. The project is in compliance with Executive Order 12898.

Environmental Assessment Factors [24 CFR 58.40; Ref. 40 CFR 1508.8 &1508.27]

Impact Codes: An impact code from the following list has been used to make the determination of impact for each factor.

(1) Minor beneficial impact

(2) No impact anticipated

(3) Minor Adverse Impact – May require mitigation

(4) Significant or potentially significant impact requiring avoidance or modification which may require an Environmental Impact Statement.

Environmental Assessment Factor	Impact Code	Impact Evaluation	Mitigation
LAND DEVELOPMENT			
Conformance with Plans / Compatible Land Use and Zoning / Scale and Urban Design	2	NA	
Soil Suitability / Slope/ Erosion / Drainage and Storm Water Runoff	3	Soil disturbance will occur given that the construction of the treatment plant will require ground disturbance to build the foundations.	All natural grass/vegetation area that have been disturbed will be restored to existing conditions or better using natural seeding.
Hazards and Nuisances including Site Safety and Site-Generated Noise	2	NA	
SOCIOECONOMIC			
Employment and Income Patterns	2	NA	
Demographic Character Changes / Displacement	2	NA	
Environmental Justice EA Factor	1	Having access to clean and safe water is one of the fundamental human rights. As the first water treatment plant in Dayton with an all-encompassing system that will require pressure tanks, wash-out bays for the iron content, and clean, non-odorous water to its existing and future residents, this will benefit many.	
COMMUNITY FACILITIES AND SERVICES			

Environmental Assessment Factor	Impact Code	Impact Evaluation	Mitigation
Educational and Cultural Facilities (Access and Capacity)	2	NA	
Commercial Facilities (Access and Proximity)	2	NA	
Health Care / Social Services (Access and Capacity)	2	NA	
Solid Waste Disposal and Recycling (Feasibility and Capacity)	2	NA	
Solid Waste Disposal and Recycling (Feasibility and Capacity)	2	NA	
Waste Water and Sanitary Sewers (Feasibility and Capacity)	2	NA	
Waste Water and Sanitary Sewers (Feasibility and Capacity)	2	NA	
Water Supply (Feasibility and Capacity)	1	This project will allow the City of Dayton to operate a water treatment plant for the treatment of groundwater to a standard that will meet all secondary standards of the Minnesota Department of Health. The all-encompassing system will require pressure tanks, wash-out bays for the iron content, and will allow clean, non-odorous water to flow to residents homes.	

Environmental Assessment Factor	Impact Code	Impact Evaluation	Mitigation
Public Safety - Police, Fire and Emergency Medical	2	NA	
Parks, Open Space and Recreation (Access and Capacity)	2	NA	
Transportation and Accessibility (Access and Capacity)	2	NA	
NATURAL FEATURES			
CLIMATE AND ENERGY			

Supporting documentation

Additional Studies Performed:

Field Inspection [Optional]: Date and completed by:

List of Sources, Agencies and Persons Consulted [40 CFR 1508.9(b)]:

-USFWS -SHPO -Upper Sioux Community -Minnesota Board of Water and Soil Resources

List of Permits Obtained:

Public Outreach [24 CFR 58.43]:

NA

Cumulative Impact Analysis [24 CFR 58.32]:

Ultimately, the project will have a positive impact as the construction of a new Water Treatment Plan will provide clean and safe water for the City of Dayton's residents

and its community. During the construction phases of this project, there will be some impacts as the construction of the plant will require ground disturbance. However, these impacts are determined to not adversely affect the resource. Coordination with the respective agencies have been made and those correspondences are documented and provided as attachments for this EA.

Alternatives [24 CFR 58.40(e); 40 CFR 1508.9]

No Action Alternative [24 CFR 58.40(e)]

The City of Dayton is a rapidly growing community, and with that growth the demands on the water system have increased substantially. The water drawn from the aquifer has a high iron and manganese content, which causes discoloration and odors at the faucet in residents' homes, leading to a number of complaints about the quality of the water being supplied. Currently, the City does not have a water treatment plant, and treats the raw water with chlorine, fluoride and a polyphosphate iron inhibitor. Without this project, the City will have challenges trying to consistently stay within the boundaries prescribed by the EPA to meet all secondary standards of the Minnesota Department of Health. A No Action Alternative will leave the Dayton community without access to safe and clean water.

Summary of Findings and Conclusions:

Overall, the project will impact resources within the project area. However, a finding no "Adverse Effect" has been determined for social, economic, and environmental resources. The two areas most affected by the project are threatened and endangered species, and historic/archaeological sites and resources. Threatened and endangered species may be impacted due to ground disturbances, but the project plans to restore the surrounding areas with native seeding and report any findings of such species immediately to the USFWS. Regarding historic/archaeological sites and resources, no records of such sites or resources were documented in the project area. However, the City acknowledges that this does not mean resources were not impacted prior to ground disturbance. The City is fully committed to the mitigation measures provided by SHPO and will follow their guidance to avoid impacts on any historic/archaeological sites and resources.

Mitigation Measures and Conditions [CFR 1505.2(c)]:

Summarized below are all mitigation measures adopted by the Responsible Entity to reduce, avoid or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

Law, Authority, or Factor	Mitigation Measure or Condition	Comments on Completed Measures	Mitigation Plan	Complete
Endangered Species Act	Vegetation impacts will be limited to maintained turf and unmaintained grassy areas. Tree impacts are limited to two recently planted (small) trees and trimming/clearing necessary to accommodate construction of the building included with the project. The project team will make sure that native seeding is used to keep the landscaping similar to its existing environment and only remove trees during the inactive season.	N/A	Natural seeding will be used where areas have been disturbed. Any tree removal moving forward will be limited to November 15 - March 31.	
Historic Preservation	<p>SHPO recognized the unique circumstances of this project and provided mitigation measures for the City to follow. they are as follows:</p> <ul style="list-style-type: none"> -Consultation with the Upper Sioux Community regarding interest in Tribal monitoring of construction activities and backfill; -Archaeological monitoring and sample screening of all backfill as it is relocated; -Site condition assessment of site 21HE0326, pending landowner approval; -Section 106 training for City contractors and Project staff to ensure future compliance; and -Summary report of all mitigation activities provided to HUD at the 	N/A	The mitigation plan for cultural resources should follow the criteria listed in the signed MOA.	

	completion on the Project. The City will follow these measures to ensure the protection of any historic/archaeological sites/resources found in the project area.			
Soil Suitability / Slope/ Erosion / Drainage and Storm Water Runoff	All natural grass/vegetation area that have been disturbed will be restored to existing conditions or better using natural seeding.	N/A		

Project Mitigation Plan

The City of Dayton will be responsible for implementing and monitoring mitigation measure listed above.

Supporting documentation on completed measures

APPENDIX A: Related Federal Laws and Authorities

Airport Hazards

General policy	Legislation	Regulation
It is HUD's policy to apply standards to prevent incompatible development around civil airports and military airfields.		24 CFR Part 51 Subpart D

1. To ensure compatible land use development, you must determine your site's proximity to civil and military airports. Is your project within 15,000 feet of a military airport or 2,500 feet of a civilian airport?

✓ No

Based on the response, the review is in compliance with this section. Document and upload the map showing that the site is not within the applicable distances to a military or civilian airport below

Yes

Screen Summary

Compliance Determination

The project site is not within 15,000 feet of a military airport or 2,500 feet of a civilian airport. The project is in compliance with Airport Hazards requirements.

Supporting documentation

[1_Airport Hazards.pdf](#)

Are formal compliance steps or mitigation required?

Yes

✓ No

Coastal Barrier Resources

General requirements	Legislation	Regulation
HUD financial assistance may not be used for most activities in units of the Coastal Barrier Resources System (CBRS). See 16 USC 3504 for limitations on federal expenditures affecting the CBRS.	Coastal Barrier Resources Act (CBRA) of 1982, as amended by the Coastal Barrier Improvement Act of 1990 (16 USC 3501)	

1. Is the project located in a CBRS Unit?

☒ No

Document and upload map and documentation below.

Yes

Compliance Determination

This project is not located in a CBRS Unit. Therefore, this project has no potential to impact a CBRS Unit and is in compliance with the Coastal Barrier Resources Act. The closest CBRS Unit is in Duluth, MN which is more than 125 miles northeast of the proposed project location.

Supporting documentation

Are formal compliance steps or mitigation required?

Yes

☒ No

Flood Insurance

General requirements	Legislation	Regulation
Certain types of federal financial assistance may not be used in floodplains unless the community participates in National Flood Insurance Program and flood insurance is both obtained and maintained.	Flood Disaster Protection Act of 1973 as amended (42 USC 4001-4128)	24 CFR 50.4(b)(1) and 24 CFR 58.6(a) and (b); 24 CFR 55.1(b).

1. Does this project involve financial assistance for construction, rehabilitation, or acquisition of a mobile home, building, or insurable personal property?

- ✓ No. This project does not require flood insurance or is excepted from flood insurance.

Based on the response, the review is in compliance with this section.

Yes

4. While flood insurance is not mandatory for this project, HUD strongly recommends that all insurable structures maintain flood insurance under the National Flood Insurance Program (NFIP). Will flood insurance be required as a mitigation measure or condition?

Yes

- ✓ No

Screen Summary

Compliance Determination

Based on the project description the project includes no activities that would require further evaluation under this section. The project does not require flood insurance or is excepted from flood insurance. While flood insurance may not be mandatory in this instance, HUD recommends that all insurable structures maintain flood insurance under the National Flood Insurance Program (NFIP). The project is in compliance with Flood Insurance requirements.

Supporting documentation

[3 FEMA Map.pdf](#)

Are formal compliance steps or mitigation required?

Yes

Water-Treatment-Plant-
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Dayton, MN

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✓ No

Air Quality

General requirements	Legislation	Regulation
The Clean Air Act is administered by the U.S. Environmental Protection Agency (EPA), which sets national standards on ambient pollutants. In addition, the Clean Air Act is administered by States, which must develop State Implementation Plans (SIPs) to regulate their state air quality. Projects funded by HUD must demonstrate that they conform to the appropriate SIP.	Clean Air Act (42 USC 7401 et seq.) as amended particularly Section 176(c) and (d) (42 USC 7506(c) and (d))	40 CFR Parts 6, 51 and 93

1. Does your project include new construction or conversion of land use facilitating the development of public, commercial, or industrial facilities OR five or more dwelling units?

Yes

✓ No

Based on the response, the review is in compliance with this section.

Screen Summary

Compliance Determination

Based on the project description, this project includes no activities that would require further evaluation under the Clean Air Act. The project is in compliance with the Clean Air Act.

Supporting documentation

Are formal compliance steps or mitigation required?

Yes

✓ No

Coastal Zone Management Act

General requirements	Legislation	Regulation
Federal assistance to applicant agencies for activities affecting any coastal use or resource is granted only when such activities are consistent with federally approved State Coastal Zone Management Act Plans.	Coastal Zone Management Act (16 USC 1451-1464), particularly section 307(c) and (d) (16 USC 1456(c) and (d))	15 CFR Part 930

1. Is the project located in, or does it affect, a Coastal Zone as defined in your state Coastal Management Plan?

Yes

✓ No

Based on the response, the review is in compliance with this section. Document and upload all documents used to make your determination below.

Screen Summary

Compliance Determination

This project is not located in or does not affect a Coastal Zone as defined in the state Coastal Management Plan. The project is in compliance with the Coastal Zone Management Act. The project is not within proximity of a Coastal Zone. The closest Coastal Zone in MN is in the Duluth, MN area which is more than 125 miles northeast of the project location.

Supporting documentation

Are formal compliance steps or mitigation required?

Yes

✓ No

Contamination and Toxic Substances

General Requirements	Legislation	Regulations
It is HUD policy that all properties that are being proposed for use in HUD programs be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances, where a hazard could affect the health and safety of the occupants or conflict with the intended utilization of the property.		24 CFR 58.5(i)(2) 24 CFR 50.3(i)
Reference		
https://www.onecpd.info/environmental-review/site-contamination		

1. How was site contamination evaluated?* Select all that apply.

ASTM Phase I ESA

ASTM Phase II ESA

Remediation or clean-up plan

ASTM Vapor Encroachment Screening.

☒ None of the above

* HUD regulations at 24 CFR § 58.5(i)(2)(ii) require that the environmental review for multifamily housing with five or more dwelling units or non-residential property include the evaluation of previous uses of the site or other evidence of contamination on or near the site.

For acquisition and new construction of multifamily and nonresidential properties HUD strongly advises the review include an ASTM Phase I Environmental Site Assessment (ESA) to meet real estate transaction standards of due diligence and to help ensure compliance with HUD's toxic policy at 24 CFR §58.5(i) and 24 CFR §50.3(i). Also note that some HUD programs require an ASTM Phase I ESA.

2. Were any on-site or nearby toxic, hazardous, or radioactive substances* (excluding radon) found that could affect the health and safety of project occupants or conflict with the intended use of the property? (Were any recognized environmental conditions or RECs identified in a Phase I ESA and confirmed in a Phase II ESA?)

Provide a map or other documentation of absence or presence of contamination** and explain evaluation of site contamination in the Screen Summary at the bottom of this screen.

✓ No

Explain:

Upon review of Minnesota Pollution Control Agency's online database "What's in My Neighborhood" no present of contamination has been recorded within or adjacent to the project site.

Yes

* This question covers the presence of radioactive substances excluding radon. Radon is addressed in the Radon Exempt Question.

** Utilize EPA's Enviromapper, NEPAAssist, or state/tribal databases to identify nearby dumps, junk yards, landfills, hazardous waste sites, and industrial sites, including EPA National Priorities List Sites (Superfund sites), CERCLA or state-equivalent sites, RCRA Corrective Action sites with release(s) or suspected release(s) requiring clean-up action and/or further investigation. Additional supporting documentation may include other inspections and reports.

3. Evaluate the building(s) for radon. Do all buildings meet any of the exemptions* from having to consider radon in the contamination analysis listed in CPD Notice [CPD-23-103](#)?

✓ Yes

Explain:

This is not a residential building or a building that will be used for everyday use or be occupied for more than four hours per day.

No

* Notes:

- Buildings with no enclosed areas having ground contact.
- Buildings containing crawlspaces, utility tunnels, or parking garages would not be exempt, however buildings built on piers would be exempt, provided that there is open air between the lowest floor of the building and the ground.
- Buildings that are not residential and will not be occupied for more than 4 hours per day.
- Buildings with existing radon mitigation systems - document radon levels are below 4 pCi/L with test results dated within two years of submitting the application for HUD assistance and document the system includes an ongoing maintenance plan that includes periodic testing to ensure the system continues to meet the current EPA recommended levels. If the project does not require an application, document test results dated within two years of the date the environmental review is certified. Refer to program office guidance to ensure compliance with

program requirements.

- Buildings tested within five years of the submission of application for HUD assistance: test results document indoor radon levels are below current the EPA's recommended action levels of 4.0 pCi/L. For buildings with test data older than five years, any new environmental review must include a consideration of radon using one of the methods in Section A below.

Screen Summary

Compliance Determination

Site contamination was evaluated as follows: None of the above. On-site or nearby toxic, hazardous, or radioactive substances that could affect the health and safety of project occupants or conflict with the intended use of the property were not found. The project is exempt from radon consideration. The project is in compliance with contamination and toxic substances requirements.

Supporting documentation

[X_What is in my neighborhood \(MPCA\).pdf](#)

Are formal compliance steps or mitigation required?

Yes

✓ No

Endangered Species

General requirements	ESA Legislation	Regulations
Section 7 of the Endangered Species Act (ESA) mandates that federal agencies ensure that actions that they authorize, fund, or carry out shall not jeopardize the continued existence of federally listed plants and animals or result in the adverse modification or destruction of designated critical habitat. Where their actions may affect resources protected by the ESA, agencies must consult with the Fish and Wildlife Service and/or the National Marine Fisheries Service ("FWS" and "NMFS" or "the Services").	The Endangered Species Act of 1973 (16 U.S.C. 1531 <i>et seq.</i>); particularly section 7 (16 USC 1536).	50 CFR Part 402

1. Does the project involve any activities that have the potential to affect species or habitats?

No, the project will have No Effect due to the nature of the activities involved in the project.

No, the project will have No Effect based on a letter of understanding, memorandum of agreement, programmatic agreement, or checklist provided by local HUD office

- ✓ Yes, the activities involved in the project have the potential to affect species and/or habitats.

2. Are federally listed species or designated critical habitats present in the action area?

No, the project will have No Effect due to the absence of federally listed species and designated critical habitat

- ✓ Yes, there are federally listed species or designated critical habitats present in the action area.

3. What effects, if any, will your project have on federally listed species or designated critical habitat?

No Effect: Based on the specifics of both the project and any federally listed species in the action area, you have determined that the project will have absolutely no effect on listed species or critical habitat. in the action area.

- ✓ May Affect, Not Likely to Adversely Affect: Any effects that the project may have on federally listed species or critical habitats would be beneficial, discountable, or insignificant.

Likely to Adversely Affect: The project may have negative effects on one or more listed species or critical habitat.

4. Informal Consultation is required

Section 7 of ESA (16 USC. 1536) mandates consultation to resolve potential impacts to endangered and threatened species and critical habitats. If a HUD-assisted project may affect any federally listed endangered or threatened species or critical habitat, then compliance is required with Section 7. See 50 CFR Part 402 Subpart B Consultation Procedures.

Did the Service(s) concur with the finding that the project is Not Likely to Adversely Affect?

- ✓ Yes, the Service(s) concurred with the finding.

Based on the response, the review is in compliance with this section. Document and upload the following below:

- (1) A biological evaluation or equivalent document
- (2) Concurrence(s) from FWS and/or NMFS
- (3) Any other documentation of informal consultation

Exception: If finding was made based on procedures provided by a letter of understanding, memorandum of agreement, programmatic agreement, or checklist provided by local HUD office, provide whatever documentation is mandated by that agreement.

No, the Service(s) did not concur with the finding.

6. For the project to be brought into compliance with this section, all adverse impacts must be mitigated. Explain in detail the exact measures that must be implemented to mitigate for the impact or effect, including the timeline for implementation. This information will be automatically included in the Mitigation summary for the environmental review. If negative effects cannot be mitigated, cancel the project using the button at the bottom of this screen.

✓ Mitigation as follows will be implemented:

Vegetation impacts will be limited to maintained turf and unmaintained grassy areas. Tree impacts are limited to two recently planted (small) trees and trimming/clearing necessary to accommodate construction of the building included with the project. The project team will make sure that native seeding is used to keep the landscaping similar to its existing environment and only remove trees during the inactive season.

No mitigation is necessary.

Screen Summary

Compliance Determination

This project May Affect, but is Not Likely to Adversely Affect, listed species, and informal consultation was conducted. With mitigation, identified in the mitigation section of this review, the project will be in compliance with the Endangered Species Act.

Supporting documentation

[X_IPaC.pdf](#)

Are formal compliance steps or mitigation required?

✓ Yes

No

Explosive and Flammable Hazards

General requirements	Legislation	Regulation
HUD-assisted projects must meet Acceptable Separation Distance (ASD) requirements to protect them from explosive and flammable hazards.	N/A	24 CFR Part 51 Subpart C

1. Is the proposed HUD-assisted project itself the development of a hazardous facility (a facility that mainly stores, handles or processes flammable or combustible chemicals such as bulk fuel storage facilities and refineries)?

✓ No

Yes

2. Does this project include any of the following activities: development, construction, rehabilitation that will increase residential densities, or conversion?

✓ No

Based on the response, the review is in compliance with this section.

Yes

Screen Summary

Compliance Determination

Based on the project description the project includes no activities that would require further evaluation under this section. The project is in compliance with explosive and flammable hazard requirements. Minnesota Pollution Control Agency (MPCA)'s database was reviewed to find records -past and present- of any hazardous facilities within or adjacent to the project site. However, no records were found.

Supporting documentation

[X What is in my neighborhood \(MPCA\)\(1\).pdf](#)

Are formal compliance steps or mitigation required?

Water-Treatment-Plant-
Construction

Dayton, MN

900000010383870

Yes

✓ No

Farmlands Protection

General requirements	Legislation	Regulation
The Farmland Protection Policy Act (FPPA) discourages federal activities that would convert farmland to nonagricultural purposes.	Farmland Protection Policy Act of 1981 (7 U.S.C. 4201 et seq.)	7 CFR Part 658

1. Does your project include any activities, including new construction, acquisition of undeveloped land or conversion, that could convert agricultural land to a non-agricultural use?

Yes

✓ No

If your project includes new construction, acquisition of undeveloped land or conversion, explain how you determined that agricultural land would not be converted:

The City of Dayton is planning to construct and operate a Wellhead Treatment Plant for the Treatment of Groundwater to a standard that will meet all secondary standards of the Minnesota Department of Health. While the soil report shows the proposed project will take place in an area where prime farmland is present, the project is not located in a land use setting where the land had been reserved for farming. The proposed project location is surrounded by existing and upcoming signal residential developments.

Based on the response, the review is in compliance with this section. Document and upload all documents used to make your determination below.

Screen Summary**Compliance Determination**

This project does not involve any activities that could potentially convert agricultural land to non-agricultural use and is in compliance with the Farmland Protection Policy Act. Although the attached soil report indicates the presence of prime farmland in the proposed project area, parcel tax data from Hennepin County shows that the project is situated on City property currently identified as "vacant land-residential."

Additionally, the project is surrounded by low-density residential developments and is not located on land preserved for farming, as the new construction will occur just east of the existing driveway.

Supporting documentation

[X Farmland Map.pdf](#)

Are formal compliance steps or mitigation required?

Yes

✓ No

Floodplain Management

General Requirements	Legislation	Regulation
Executive Order 11988, Floodplain Management, requires Federal activities to avoid impacts to floodplains and to avoid direct and indirect support of floodplain development to the extent practicable.	Executive Order 11988 * Executive Order 13690 * 42 USC 4001-4128 * 42 USC 5154a * only applies to screen 2047 and not 2046	24 CFR 55

1. Does this project meet an exemption at 24 CFR 55.12 from compliance with HUD's floodplain management regulations in Part 55?

Yes

(a) HUD-assisted activities described in 24 CFR 58.34 and 58.35(b).

(b) HUD-assisted activities described in 24 CFR 50.19, except as otherwise indicated in § 50.19.

(c) The approval of financial assistance for restoring and preserving the natural and beneficial functions and values of floodplains and wetlands, including through acquisition of such floodplain and wetland property, where a permanent covenant or comparable restriction is place on the property's continued use for flood control, wetland projection, open space, or park land, but only if:

(1) The property is cleared of all existing buildings and walled structures; and

(2) The property is cleared of related improvements except those which:

(i) Are directly related to flood control, wetland protection, open space, or park land (including playgrounds and recreation areas);

(ii) Do not modify existing wetland areas or involve fill, paving, or other ground disturbance beyond minimal trails or paths; and

(iii) Are designed to be compatible with the beneficial floodplain or wetland function of the property.

(d) An action involving a repossession, receivership, foreclosure, or similar acquisition of property to protect or enforce HUD's financial interests under previously approved loans, grants, mortgage insurance,

or other HUD assistance.

(e) Policy-level actions described at 24 CFR 50.16 that do not involve site-based decisions.

(f) A minor amendment to a previously approved action with no additional adverse impact on or from a floodplain or wetland.

(g) HUD's or the responsible entity's approval of a project site, an incidental portion of which is situated in the FFRMS floodplain (not including the floodway, LiMWA, or coastal high hazard area) but only if: (1) The proposed project site does not include any existing or proposed buildings or improvements that modify or occupy the FFRMS floodplain except de minimis improvements such as recreation areas and trails; and (2) the proposed project will not result in any new construction in or modifications of a wetland .

(h) Issuance or use of Housing Vouchers, or other forms of rental subsidy where HUD, the awarding community, or the public housing agency that administers the contract awards rental subsidies that are not project-based (i.e., do not involve site-specific subsidies).

(i) Special projects directed to the removal of material and architectural barriers that restrict the mobility of and accessibility to elderly and persons with disabilities.

Describe:

No

Screen Summary

Compliance Determination

This project does not occur in a floodplain. The project is in compliance with Executive Order 11988.

Supporting documentation

Are formal compliance steps or mitigation required?

Yes

✓ No

Historic Preservation

General requirements	Legislation	Regulation
Regulations under Section 106 of the National Historic Preservation Act (NHPA) require a consultative process to identify historic properties, assess project impacts on them, and avoid, minimize, or mitigate adverse effects	Section 106 of the National Historic Preservation Act (16 U.S.C. 470f)	36 CFR 800 "Protection of Historic Properties" https://www.govinfo.gov/content/pkg/CFR-2012-title36-vol3/pdf/CFR-2012-title36-vol3-part800.pdf

Threshold

Is Section 106 review required for your project?

No, because the project consists solely of activities listed as exempt in a Programmatic Agreement (PA). (See the PA Database to find applicable PAs.)

No, because the project consists solely of activities included in a No Potential to Cause Effects memo or other determination [36 CFR 800.3(a)(1)].

- ✓ Yes, because the project includes activities with potential to cause effects (direct or indirect).

Step 1 – Initiate Consultation

Select all consulting parties below (check all that apply):

✓ State Historic Preservation Offer (SHPO) Completed

✓ Advisory Council on Historic Preservation In progress

✓ Indian Tribes, including Tribal Historic Preservation Officers (THPOs) or Native Hawaiian Organizations (NHOs)

Other Consulting Parties

Describe the process of selecting consulting parties and initiating consultation here:

The following Tribal Nations were selected as recommended through TDAT: -Apache Tribe of Oklahoma -Cheyenne and Arapaho Tribes, Oklahoma -Flandreau Santee Sioux Tribe of South Dakota -Fort Belknap Indian Community of the Fort Belknap Reservation of Montana -Iowa Tribe of Kansas and Nebraska -Lower Sioux Indian Community in the State of Minnesota -Menominee Indian Tribe of Wisconsin -Prairie Island Indian Community in the State of Minnesota -Santee Sioux Nation, Nebraska - Sisseton-Wahpeton Oyate of the Lake Traverse Reservation, South Dakota -Spirit Lake Tribe, North Dakota -Upper Sioux Community, Minnesota

Document and upload all correspondence, notices and notes (including comments and objections received below).

Was the Section 106 Lender Delegation Memo used for Section 106 consultation?

Yes

No

Step 2 – Identify and Evaluate Historic Properties

1. Define the Area of Potential Effect (APE), either by entering the address(es) or uploading a map depicting the APE below:

In the chart below, list historic properties identified and evaluated in the APE. Every historic property that may be affected by the project should be included in the chart.

Upload the documentation (survey forms, Register nominations, concurrence(s) and/or objection(s), notes, and photos) that justify your National Register Status determination below.

Address / Location / District	National Register Status	SHPO Concurrence	Sensitive Information
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Additional Notes:

2. Was a survey of historic buildings and/or archeological sites done as part of the project?

✓ Yes

Document and upload surveys and report(s) below.
For Archeological surveys, refer to HP Fact Sheet #6, Guidance on Archeological Investigations in HUD Projects.

Additional Notes:

A summary of the findings are provided in the attachment.

No

Step 3 –Assess Effects of the Project on Historic Properties

Only properties that are listed on or eligible for the National Register of Historic Places receive further consideration under Section 106. Assess the effect(s) of the project by applying the Criteria of Adverse Effect. (36 CFR 800.5)] Consider direct and indirect effects as applicable as per guidance on direct and indirect effects.

Choose one of the findings below - No Historic Properties Affected, No Adverse Effect, or Adverse Effect; and seek concurrence from consulting parties.

No Historic Properties Affected

✓ No Adverse Effect

Based on the response, the review is in compliance with this section.

Document reason for finding:

Due to the unique circumstances of this project, a historic/archaeological survey was completed post ground disturbance. A 'No Adverse Effect' determination was concluded. The City recognizes that even though there were no previous record of historic/archaeological sites in the project area, this does not mean an automatic determination of "no Historic Properties Affected". The City has provided SHPO a detailed explanation of the unique circumstances which are documented and provided as attachments for this section.

Does the No Adverse Effect finding contain conditions?

✓ Yes (check all that apply)

Avoidance

Modification of project

✓ Other

Describe conditions here:

SHPO recognized the unique circumstances of this project and provided mitigation measures for the City to follow. they are as follows:

- Consultation with the Upper Sioux Community regarding interest in Tribal monitoring of construction activities and backfill;
- Archaeological monitoring and sample screening of all backfill as it is relocated;
- Site condition assessment of site 21HE0326, pending landowner approval;
- Section 106 training for City contractors and Project staff to ensure future compliance; and
- Summary report of all mitigation activities provided to HUD at the completion on the Project.

The City will follow these measures to ensure the protection of any historic/archaeological sites/resources found in the project area.

No

Adverse Effect

Screen Summary
Compliance Determination

Based on the Section 106 consultation, the project will have no adverse effect on historic properties. Since ground disturbance had occurred prior to consultation (actions which were shared and reported to SHPO), additional mitigation measures were provided to the City by SHPO. These measures aim to ensure the protection of any historic or archaeological sites/resources discovered in the future and to better familiarize the City of Dayton with the Section 106 process for future projects. All correspondences with SHPO are attached to this section.

Supporting documentation

[DaytonWellheadMOAexecuted20241210.pdf](#)
[Dayton_WaterTreatmentPlant_ArchHistSubmittal.pdf](#)
[Dayton_SHPO_Mitigation_100424.pdf](#)
[2024-1449b.pdf](#)

Are formal compliance steps or mitigation required?

✓ Yes

No

Noise Abatement and Control

General requirements	Legislation	Regulation
HUD's noise regulations protect residential properties from excessive noise exposure. HUD encourages mitigation as appropriate.	Noise Control Act of 1972 General Services Administration Federal Management Circular 75-2: "Compatible Land Uses at Federal Airfields"	Title 24 CFR 51 Subpart B

1. What activities does your project involve? Check all that apply:

New construction for residential use

Rehabilitation of an existing residential property

A research demonstration project which does not result in new construction or reconstruction

An interstate land sales registration

Any timely emergency assistance under disaster assistance provision or appropriations which are provided to save lives, protect property, protect public health and safety, remove debris and wreckage, or assistance that has the effect of restoring facilities substantially as they existed prior to the disaster

✓ None of the above

Screen Summary

Compliance Determination

Based on the project description, this project includes no activities that would require further evaluation under HUD's noise regulation. The project is in compliance with HUD's Noise regulation. The proposed project will be the construction of a water treatment plant. The construction of the new treatment plant will not create any additional noise pollution that would disturb the existing ambiance.

Supporting documentation

Are formal compliance steps or mitigation required?

Water-Treatment-Plant-
Construction

Dayton, MN

900000010383870

Yes

✓ No

Sole Source Aquifers

General requirements	Legislation	Regulation
The Safe Drinking Water Act of 1974 protects drinking water systems which are the sole or principal drinking water source for an area and which, if contaminated, would create a significant hazard to public health.	Safe Drinking Water Act of 1974 (42 U.S.C. 201, 300f et seq., and 21 U.S.C. 349)	40 CFR Part 149

1. Does the project consist solely of acquisition, leasing, or rehabilitation of an existing building(s)?

Yes

✓ No

2. Is the project located on a sole source aquifer (SSA)?

A sole source aquifer is defined as an aquifer that supplies at least 50 percent of the drinking water consumed in the area overlying the aquifer. This includes streamflow source areas, which are upstream areas of losing streams that flow into the recharge area.

✓ No

Based on the response, the review is in compliance with this section. Document and upload documentation used to make your determination, such as a map of your project (or jurisdiction, if appropriate) in relation to the nearest SSA and its source area, below.

Yes

Screen Summary

Compliance Determination

The project is not located within a sole source aquifer area. The project is in compliance with Sole Source Aquifer requirements. A map is attached to show that the closest sole source aquifer is located more than 60 miles north of Dayton, MN,

near Mille Lacs Lake. Impacts to Mille Lacs Lake or the Mille Lacs SSA is not anticipated.

Supporting documentation

[X_Sole Source Aquifer.pdf](#)

Are formal compliance steps or mitigation required?

Yes

✓ No

Wetlands Protection

General requirements	Legislation	Regulation
Executive Order 11990 discourages direct or indirect support of new construction impacting wetlands wherever there is a practicable alternative. The Fish and Wildlife Service's National Wetlands Inventory can be used as a primary screening tool, but observed or known wetlands not indicated on NWI maps must also be processed Off-site impacts that result in draining, impounding, or destroying wetlands must also be processed.	Executive Order 11990	24 CFR 55.20 can be used for general guidance regarding the 8 Step Process.

1. Does this project involve new construction as defined in Executive Order 11990, expansion of a building's footprint, or ground disturbance? The term "new construction" shall include draining, dredging, channelizing, filling, diking, impounding, and related activities and any structures or facilities begun or authorized after the effective date of the Order

No

✓ Yes

2. Will the new construction or other ground disturbance impact an on- or off-site wetland? The term "wetlands" means those areas that are inundated by surface or ground water with a frequency sufficient to support, and under normal circumstances does or would support, a prevalence of vegetative or aquatic life that requires saturated or seasonally saturated soil conditions for growth and reproduction. Wetlands generally include swamps, marshes, bogs, and similar areas such as sloughs, potholes, wet meadows, river overflows, mud flats, and natural ponds.

"Wetlands under E.O. 11990 include isolated and non-jurisdictional wetlands."

✓ No, a wetland will not be impacted in terms of E.O. 11990's definition of new construction.

Based on the response, the review is in compliance with this section. Document and upload a map or any other relevant documentation below which explains your determination

Yes, there is a wetland that be impacted in terms of E.O. 11990's definition of new construction.

Screen Summary

Compliance Determination

The project will not impact on- or off-site wetlands. The National Wetland Inventory (NWI) map provided as attachment notes the presence of a potential freshwater forested/shrub wetland. However, a previously conducted wetland delineation for the River Hills residential development, the single family residential homes located directly east of the proposed project, determined that no wetlands were present in this area. A site inspection was conducted in January 2024, which verified that no wetlands were present. The City received confirmation from Minnesota Board of Water & Soil Resources (BWSR) that there are no wetlands present and issued a No-Loss (8420.0415) determination. The notice of decision of No-Loss from BWSR is provided as an attachment.

Supporting documentation

[X NWI Map.pdf](#)

[X_20240311 NOD Dayton Filtration Plant Wells 4 and 5.pdf](#)

Are formal compliance steps or mitigation required?

Yes

✓ No

Wild and Scenic Rivers Act

General requirements	Legislation	Regulation
The Wild and Scenic Rivers Act provides federal protection for certain free-flowing, wild, scenic and recreational rivers designated as components or potential components of the National Wild and Scenic Rivers System (NWSRS) from the effects of construction or development.	The Wild and Scenic Rivers Act (16 U.S.C. 1271-1287), particularly section 7(b) and (c) (16 U.S.C. 1278(b) and (c))	36 CFR Part 297

1. Is your project within proximity of a NWSRS river?

✓ No

Yes, the project is in proximity of a Designated Wild and Scenic River or Study Wild and Scenic River.

Yes, the project is in proximity of a Nationwide Rivers Inventory (NRI) River.

Screen Summary

Compliance Determination

This project is not within proximity of a NWSRS river. The project is in compliance with the Wild and Scenic Rivers Act. The St. Croix River is the only Designated Wild and Scenic River in Minnesota. The project is located more than 30 miles west of the St. Croix River.

Supporting documentation

Are formal compliance steps or mitigation required?

Yes

✓ No

Environmental Justice

General requirements	Legislation	Regulation
Determine if the project creates adverse environmental impacts upon a low-income or minority community. If it does, engage the community in meaningful participation about mitigating the impacts or move the project.	Executive Order 12898	

HUD strongly encourages starting the Environmental Justice analysis only after all other laws and authorities, including Environmental Assessment factors if necessary, have been completed.

1. Were any adverse environmental impacts identified in any other compliance review portion of this project's total environmental review?

Yes

✓ No

Based on the response, the review is in compliance with this section.

Screen Summary

Compliance Determination

No adverse environmental impacts were identified in the project's total environmental review. The project is in compliance with Executive Order 12898.

Supporting documentation

[X_EJScreen Community Report.pdf](#)

Are formal compliance steps or mitigation required?

Yes

✓ No