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MEMORANDUM

TO: T. Clay Schultz, Ph.D., Regional Water Project Development

Clay Schultz Digitally signed by Clay Schultz Date: 2026.06.05 09:14:52 -05'00'

THROUGH: Candice DeLello, Regional Water Project Development

Candice DeLello Digitally signed by Candice DeLello Date: 2026.05.20 08:01:29 -05'00'

FROM: Kylie Beard, Environmental Protection Specialist

Kylie Beard Digitally signed by Kylie Beard Date: 2026.05.20 07:26:36 -05'00'

SUBJECT: City of Keene, Johnson County, Texas
TWDB RWAF Project No. 21863
Water Supply and Distribution System Improvements
Total Commitment Amount: $3,168,000
Loan No. L1001975
Grant No. G1001976

As required by the rules of the Texas Water Development Board (TWDB), 31 Texas Administrative Code (TAC) § 363.14, an environmental review has been performed for the Water Supply and Distribution System Improvements Project proposed by the City of Keene (City) in Johnson County, Texas. The City is proposing to use $3,168,000 in financing from the Rural Water Assistance Fund (RWAF) for planning, design, and construction of the project. The Environmental Determination (ED) completed for the proposed project is based primarily on the Environmental Data Form (EDF)[1] received by the TWDB.

PROJECT DESCRIPTION

The project components covered by this environmental assessment include:

- Replace approximately 18,000 linear feet (LF) two- to eight-inch waterlines
  - Improvements include the installation of valves, fire hydrants, and other necessary appurtenances

- Construct a new 200 gallons-per-minute (gpm) water well and associated high service pump station at one of three of the following proposed locations
  - Dove Creek Road (preferred alternative)
    - This site would require an approximate 1,000 LF waterline to the existing Dove Creek ground storage tank

[1] City of Keene (April 7, 2026). Environmental Data Form (EDF), Water Supply and Distribution System Improvements Project, Prepared by Jacob Martin Engineering. Received by TWDB on December 17, 2026. The EDF is complete with the supplementary materials submitted to the TWDB on April 7, 2026.

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L'Oreal Stepney, P.E., Chairwoman | W. Brady Franks, Board Member | Ashley Morgan, Board Member
Bryan McMath, Executive Administrator

- County Road (CR) 702 (alternative 2)
  - This site would require an approximate 425 LF waterline to tie into the City's existing 12-inch transmission line
- Farm to Market Road (FM) 2280 (alternative 3)
  - This site would require an approximate 3,100 LF waterline to tie into the City's existing 12-inch transmission line.

- Reconstruct the existing Pump Station No. 5 site at South College Drive

- Install an altitude valve at the existing North CR 805 elevated storage tank (EST), Well No. 7 site.

PURPOSE AND NEED

The purpose of the project is to improve water distribution, reduce water loss, and ensure adequate water supply to accommodate short term growth.

PUBLIC PARTICIPATION

The project is consistent with local, regional, and statewide planning. Coordination with the appropriate governmental agencies has been made and no adverse comments have been received.

The project does not involve any known, significant socioeconomic or environmental impacts, or historical or cultural resource issues that may affect the evaluation of project alternatives or implementation of the project, such as rate increases, displacement of persons, disproportionate effects on minorities or those living beneath the poverty line, potential impacts to known cultural resources, waters of the U.S., or protected species, or similar public concerns. Therefore, no public meeting was required.

AGENCY COORDINATION

This environmental review included coordination with state and federal regulatory agencies, Native American groups, local authorities, and other stakeholders and interested parties regarding the project's potential impact. The City submitted notifications to and requests for input from all required parties. Some entities did not require a response. The respondents are listed below, and the results of coordination are summarized in the EDF and reflected in the environmental conditions listed below:

- Texas Historical Commission (THC), in accordance with the Antiquities Code of Texas (THC Tracking Nos. 202601593 and 202512708)
- United States Army Corps of Engineers (USACE), Regulatory Branch, Fort Worth District, in accordance with Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act of 1899 (Project Number SWF-2025-00526)

- Texas Parks and Wildlife Department (TPWD), Wildlife Division, Ecological & Environmental Planning Program, Austin, in accordance with the Endangered Species Act of 1973, as amended; Migratory Bird Treaty Act; Texas Parks and Wildlife Code; and other applicable regulations (TPWD Project No. 57149)
- United States Fish and Wildlife Service (USFWS), Texas Coastal and Central Plains Ecological Services Field Office, in accordance with the Endangered Species Act and statutes affecting other federally protected species (USFWS Project Code 2026-0046379).

The City also coordinated with the following entities and no response was required from them.

- TWDB, NFIP State Coordinator, pursuant to the Flood Insurance Reform Act of 2004, federal Executive Order 11988, Texas Water Code Section 16.315, and local floodplain development ordinances
- Tribal authorities including the Comanche Nation, Coushatta Tribe of Louisiana, Delaware Nation, Tonkawa Tribe of Oklahoma, Wichita and Affiliated Tribes, and Apache Tribe of Oklahoma
- Bureau of Reclamation, Oklahoma-Texas Area Office
- Bureau of Land Management
- Pursuant to the NFIP, the City of Keene floodplain administrator
- Local government including the North Central Texas Council of Governments, the City of Cleburne, the Prairieland Groundwater Conservation District, and the Johnson County Judge

Texas Historical Commission

The proposed project was reviewed by the THC staff in accordance with the Antiquities Code of Texas. There are no previously recorded significant or potentially significant sites within or adjacent to the project footprint according to THC Archeological Sites Atlas. The project is not within the protected area surrounding a historic cemetery, structure, or district. THC staff concurred that no historic properties, archeological sites, or other cultural resources would be affected by the project, in correspondence dated August 20, 2025, and November 21, 2025 (THC Tracking Nos. 202512708 and 202601593).

United States Army Corps of Engineers

The USACE, Fort Worth District Office, Regulatory Branch staff was given the opportunity to review the project (USACE Project Number SWF-2025-00526). The proposed waterline replacements may cross multiple streams including a tributary to Turkey Creek and Lockett Branch Creek. Construction at these crossings will utilize either directional boring or will be installed in the pavement above the culvert. The USACE concurred with the City's finding that no permit would be required because the project would not adversely impact waters of the United States, including wetlands since streams will be avoided.

Texas Parks and Wildlife Department

The TPWD Wildlife Division, Ecological & Environmental Planning Program staff reviewed the project in accordance with the Texas Parks and Wildlife Code, and provided a response dated November 10, 2025, TPWD Project No. 57149. The TPWD staff made recommendations to prevent impacts to protected species including migratory birds and species of greatest conservation need (SGCN) potentially occurring in the project area.

In correspondence dated February 6, 2026, Jacob Martin Engineering, on behalf of the City, responded regarding their commitment to the recommendations. In order to mitigate or avoid potential impacts, TPWD recommendations are summarized as environmental special conditions in this ED.

United States Fish and Wildlife Service

The USFWS Texas Coastal and Central Plains Ecological Services Field Office, in accordance with the Endangered Species Act and statutes affecting other federally protected species, was given the opportunity to review the project through the Information for Planning and Consultation (IPaC) system (Project Code No. 2026-0046379). The USFWS technical assistance letter dated May 7, 2026, issued a *No Effect* determination for three threatened species in the project area (piping plover (*Charadrius melodus*), rufa red knot (*Calidris canutus rufa*), and Texas fawnsfoot (*Truncilla macrodon*)) and a *May Effect – Not Likely to Adversely Affect* for the Whooping Crane (*Grus americana*) due to potential habitat within 1,000 feet of the project footprint. No direct impacts to whooping crane stopover habitat will occur in the project area and potential habitat would not be permanently converted as a result of this project. A formal Section 7 consultation was not required because the City agreed to mitigations which are incorporated as special conditions in this environmental finding. There was no designated critical habitat within the project area.

Local Floodplain Administrator

To ensure compliance with FEMA requirements, in a letter dated February 6, 2026, the City notified the local floodplain administrator for the City of Keene. A floodplain permit was provided for the proposed construction that will occur within 100-year floodplains within city limits, as designated by the Federal Emergency Management Agency (FEMA). Projects involving construction in the 100-year floodplain, including replacement or borings, require a floodplain development permit from the local floodplain administrator prior to construction in the 100-year floodplain.

The waterline for the Farm-to-Market (FM) 2280 Alternative 3 well site appears to cross a floodplain outside city limits, within the county. A floodplain permit from the Johnson County floodplain administrator would be required prior to the TWDB approval of plans and specifications for this waterline.

This environmental finding is conditioned to require a floodplain development permit prior to clearing or construction activities within any 100-year floodplain or floodway in order to comply with requirements of the Federal Emergency Management Agency regarding implementation of the National Flood Insurance Act, Flood Disaster Protection Act, National Flood Insurance Reform Act, Federal Executive Orders 11988 and 11990, and to comply with related state statutes.

CONDITIONS AND RECOMMENDATIONS

An environmental review of the project has been completed consistent with the guidelines provided in 31 TAC § 363.14. The environmental review is documented by this ED, which contains environmental conditions that will be applied to the project to avoid significant adverse impact on floodplains, cultural or historical resources, threatened or endangered species, and protected migratory bird species.

The TWDB may not fund testing, remediation, removal, disposal, or related works for contaminated or potentially contaminated materials. However, the project proponent should ensure that, if found, such materials are tested, removed, and disposed of in accordance with applicable state and federal laws.

The project must comply with the following special and standard environmental conditions:

<u>Special Environmental Conditions</u>

- Consistent with the Flood Insurance Reform Act of 2004, federal Executive Order 11988 as amended by EO 13690, Texas Water Code Section 16.315, and local floodplain development ordinances, a floodplain development permit will be obtained from the City of Keene (City) and Johnson County floodplain administrator, as applicable, prior to construction in, across, or under a Special Flood Hazard Area and TWDB approval of plans and specifications, and any requirements contained therein will be adhered to.

- As per an agreement with the Texas Parks and Wildlife Department (TPWD), Ecological & Environmental Planning Program (TPWD Project No. 57149), to ensure compliance with 31 Texas Administrative Code (TAC) Chapters 12, 64, and 67, the Migratory Bird Treaty Act, and applicable federal regulations pertaining to protected species, the following measures will be implemented:

  - Vegetation clearing must be excluded during the general bird nesting season, March 15 through September 15, to avoid adverse impacts to breeding birds. If vegetation clearing during this time is unavoidable, the area proposed for disturbance will be surveyed by a qualified biologist to identify occupied nests, not more than five days prior to clearing activities. If occupied nests are observed during surveys, a vegetation buffer area of no less than 100 feet in diameter will remain around the nest until all young have fledged; however, the size of the buffer zone depends on various factors and can be coordinated with the local or regional United States Fish and Wildlife Service (USFWS) office.
  - The length of trenches left open at any given time during construction will be minimized. Trenches and excavation areas will be inspected every morning or if left open longer than two daylight hours to ensure no wildlife species have been trapped.

- To ensure compliance with the Endangered Species Act of 1973, as amended, per an agreement with the USFWS (Project Code 2026-0046379), construction or vegetation clearing activities within 1,000 feet of potential whooping crane (*Grus americana*) habitat will be performed outside of the whooping crane migration season, March 19 through April 30 and October 20 through November 24. If these activities cannot be avoided during spring and fall migration, the following mitigation measures will be implemented:
  - Construction site staff will be provided with educational materials on the appearance and status of the whooping crane in order to identify individuals.
  - A representative of the City who is familiar with the whooping crane will monitor for the whooping crane near suitable habitat and halt construction if an individual is detected within 1,000 feet of a work site. Work will cease until the crane has moved outside of the 1,000-foot buffer zone.
  - If a whooping crane is observed for any length of time in the project area, the USFWS Texas Coastal and Central Plains Ecological Services Field Office will be immediately notified.

- To avoid impacts to potential waters of the U.S., including wetlands, and aquatic habitat, waterline crossings of waterbodies will be performed using a trenchless method (directional boring or in pavement above culverts), with bore pits located outside riparian and/or aquatic habitat (USACE No. SWF-2025-00526; TPWD Project No. 57149; USFWS Project Code 2026-0046379).

<u>Standard Environmental Conditions</u>

- Consistent with the TWDB Supplemental Construction Contract Conditions (TWDB-0552), the City will abide by the standard emergency condition for the discovery of cultural resources.

- Consistent with the TWDB Supplemental Construction Contract Conditions (TWDB-0552), the City will abide by the standard emergency condition for the discovery of threatened and endangered species.

Therefore, it is recommended that an Environmental Determination be issued.