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Phone (512) 463-7847, Fax (512) 475-2053

ENVIRONMENTAL DETERMINATION

TO: File
FROM: T. Clay Schultz, Ph.D., Director, Regional Water Project Development
SUBJECT: Angelina and Neches River Authority, Angelina County, Texas
RWF Project No. 62936
Prairie Grove Utilities Water System Improvements
Total Anticipated Commitment Amount: \$7,705,000
Grant No. G1001920

Clay Schultz
Digitally signed by Clay Schultz
Date: 2026.05.19 09:02:57 -05'00'

The environmental review for the Prairie Grove Utilities Water System Improvements Project proposed by the Angelina and Neches River Authority (Authority) has been completed consistent with 31 Texas Administrative Code (TAC) § 363.14. The Authority is proposing to use \$7,705,000 in financing from the Rural Water Assistance Fund (RWF) for planning, acquisition, design, and construction of a new water treatment plant, a new transmission main for water from Diboll, and new distribution water lines. The Texas Water Development Board (TWDB) committed this financing on August 15, 2024; the Authority closed the financing on November 19, 2024.

On February 25, 2022, the Authority took possession of the assets of the Prairie Grove Water Supply Corporation. The Prairie Grove Utilities water system was originally constructed in the late 1960's and is currently deficient in raw water supply, treatment, and distribution line size capacity. The proposed project includes the construction of a new water transmission main to bring purchased water from the City of Diboll, a new water treatment plant to increase supply and treatment, and the replacement and expansion of existing distribution lines.

Proposed project components include:

- Constructing a new 10-inch raw water transmission main from the connection point with Diboll along State Highway (SH) 59 to Farm-to-Market (FM) 1818 to the new water treatment plant (WTP) site
Constructing a new 8-inch treated water distribution line from the new plant site to the existing WTP to be decommissioned
Constructing a new water treatment plant within a 1.26-acre property purchased by the Authority on FM 1818 near Hwy 59, which will include two ground storage tanks, an aeration tower for the removal of hydrogen sulfide, new booster pumps, chlorination equipment, electrical and SCADA equipment, equipment building and all other miscellaneous equipment and piping needed for the new facility
Decommissioning the existing Sherwood Forest plant (well, storage tank, pumps, disinfection equipment, etc.)
Decommissioning an existing well site on FM 1818

- Constructing a new 8-inch treated water distribution line along Buttermilk Road from FM 1818 to CC Road, and from Buttermilk Road south along both CC Road to the east and FM 1818 to the west to close a substantial loop and eliminate dead ends
- Replace all existing distribution lines and water meters throughout the system.

This environmental review is documented by the enclosed Environmental Determination (ED), which contains mitigative environmental conditions that will be applied to the project to avoid significant adverse impact on waters of the U.S., floodplains, cultural or historical resources, threatened or endangered species, and protected migratory bird species.

Based on a detailed environmental review of the planning information, the Environmental Data Form received by the TWDB on December 12, 2025, the project meets the requirements of 31 TAC § 363.14 with the following special and standard environmental conditions:

Special Environmental Conditions

- Consistent with the Flood Insurance Reform Act of 2004, Flood Disaster Protection Act, Executive Order 11988 as amended by EO 13690, Texas Water Code Section 16.315, and local floodplain development ordinances, the Angelina and Neches River Authority (Authority) must obtain a floodplain development permit issued by the local floodplain administrator of Angelina County prior to construction in a Special Flood Hazard Area and TWDB approval of plans and specifications. Angelina County is a participant in the National Flood Insurance Program.
- Consistent with Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act of 1899, the proposed project will comply with the terms and conditions of United States Army Corps of Engineers Nationwide Permit 58 for Utility Line Activities for Water and Other Substances.
- As per agreements with the Texas Parks and Wildlife Department (TPWD), Ecological & Environmental Planning Program and United States Fish and Wildlife Service (USFWS Project Code 2025-0049369), to ensure compliance with Chapter 57 of the Texas Parks and Wildlife Code, 31 Texas Administrative Code (TAC) Chapters 64, 67, and 68, the Endangered Species Act of 1973, as amended, the Migratory Bird Treaty Act, and applicable federal regulations pertaining to protected, the following measures will be implemented:
 - Vegetation clearing must be excluded during the general bird nesting season and tricolored bat (*Perimyotis subflavus*) pupping season, March 15 through September 15, to avoid adverse impacts to breeding birds and tricolored bats. If vegetation clearing during this time is unavoidable, the area proposed for disturbance will be surveyed by a qualified biologist to identify occupied nests and pupping habitat, not more than five days prior to clearing activities. If occupied nests or bat roosts or hibernacula are observed during surveys, a vegetation buffer area of no less than 100 feet in diameter will remain around the nest or roost 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 USFWS office. State and federal regulations as currently interpreted do not permit incidental take.

- Contractors and construction crews will be provided with informational materials identifying potential protected species that may occur in the project area and instructing them on how to avoid impacts to wildlife that are encountered: If wildlife are encountered, the animals will be allowed to leave the area safely. Wildlife in danger from project activities that will not readily leave the site can be translocated to a nearby area with similar habitat. Any translocations of reptiles will occur within 100-200 yards from the initial encounter location. State-listed species will be handled only by persons with authorization obtained through the Texas Parks and Wildlife Department.
- The length of trenches left open at any given time during construction will be minimized. Trenching and backfilling activities will be kept close together in time. Trenches and excavation areas will be covered overnight and/or inspected every morning or if left open longer than two daylight hours to ensure no wildlife species have been trapped. If trenches cannot be backfilled the day of initial trenching, then escape ramps will be installed every 300 feet, in the form of short lateral trenches or wooden planks sloping to the surface at an angle of less than 45 degrees, at a ratio of one horizontal foot for every one foot of depth.
- For soil stabilization and revegetation, no-till drilling, hydromulching (avoiding plastic ingredients), and/or hydroseeding will be used rather than erosion control blankets or mats, which pose an entanglement hazard to wildlife. If erosion control blankets or mats cannot be avoided, products that contain no netting or loosely woven natural fiber netting will be used, avoiding any type of plastic netting.
- If tricolored bats (*Perimyotis subflavus*), alligator snapping turtle (*Macrochelys temminckii*), or the Monarch butterfly (*Danaus plexippus*) become federally listed prior to vegetation clearing and/or construction, the ENTITY will conduct additional coordination with the United States Fish and Wildlife Service to ensure compliance with the Endangered Species Act.

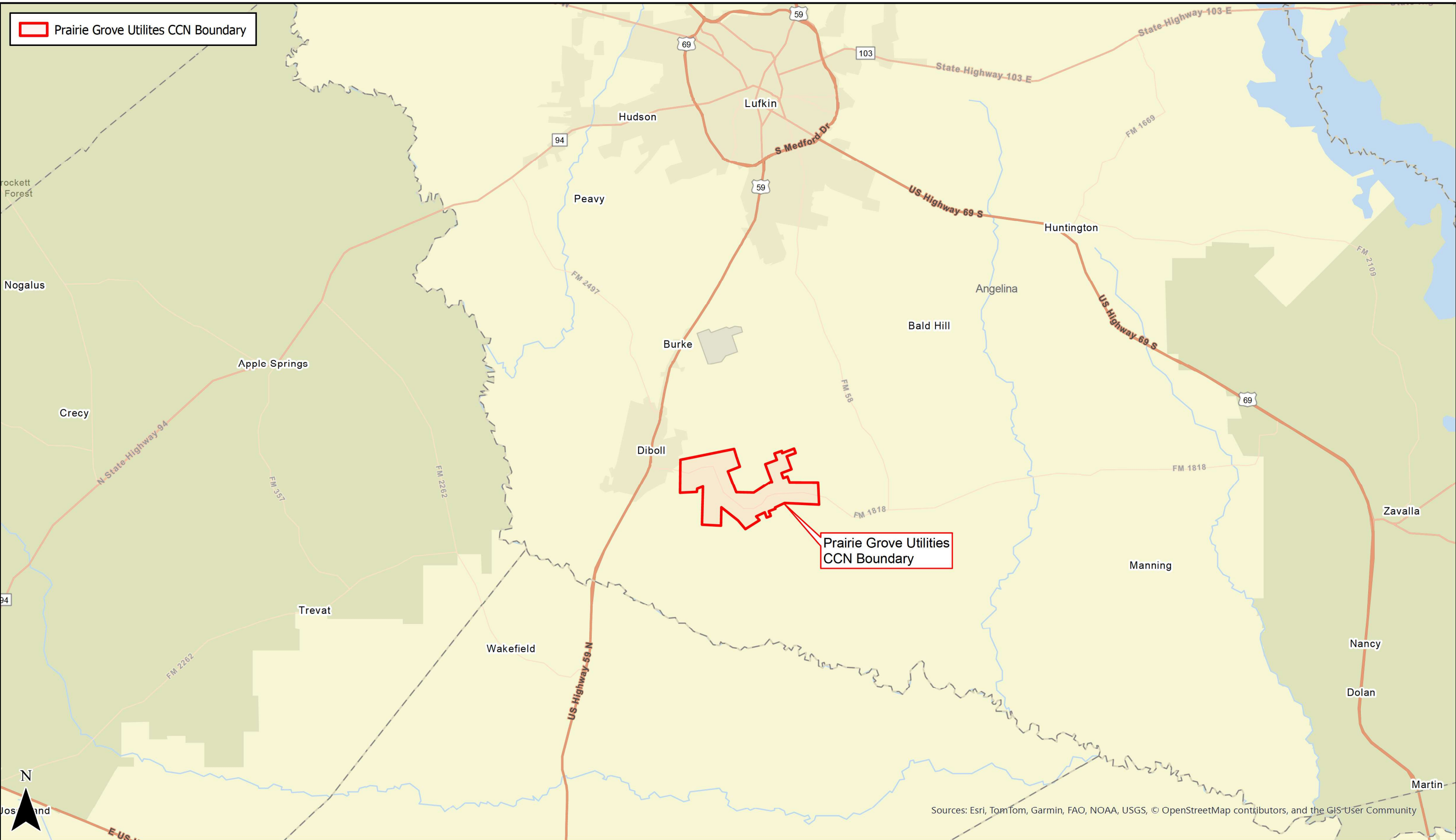
Standard Environmental Conditions

- Consistent with the TWDB Supplemental Construction Contract Conditions (TWDB-0552), the Angelina and Neches River Authority will abide by the standard emergency condition for the discovery of cultural resources.
- Consistent with the TWDB Supplemental Construction Contract Conditions (TWDB-0552), the Angelina and Neches River Authority will abide by the standard emergency condition for the discovery of threatened and endangered species.

With the addition of these requirements, design funds may be released once all other requirements are satisfied.

Enclosures

 Prairie Grove Utilites CCN Boundary

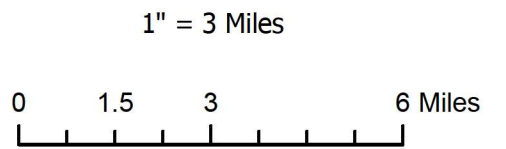


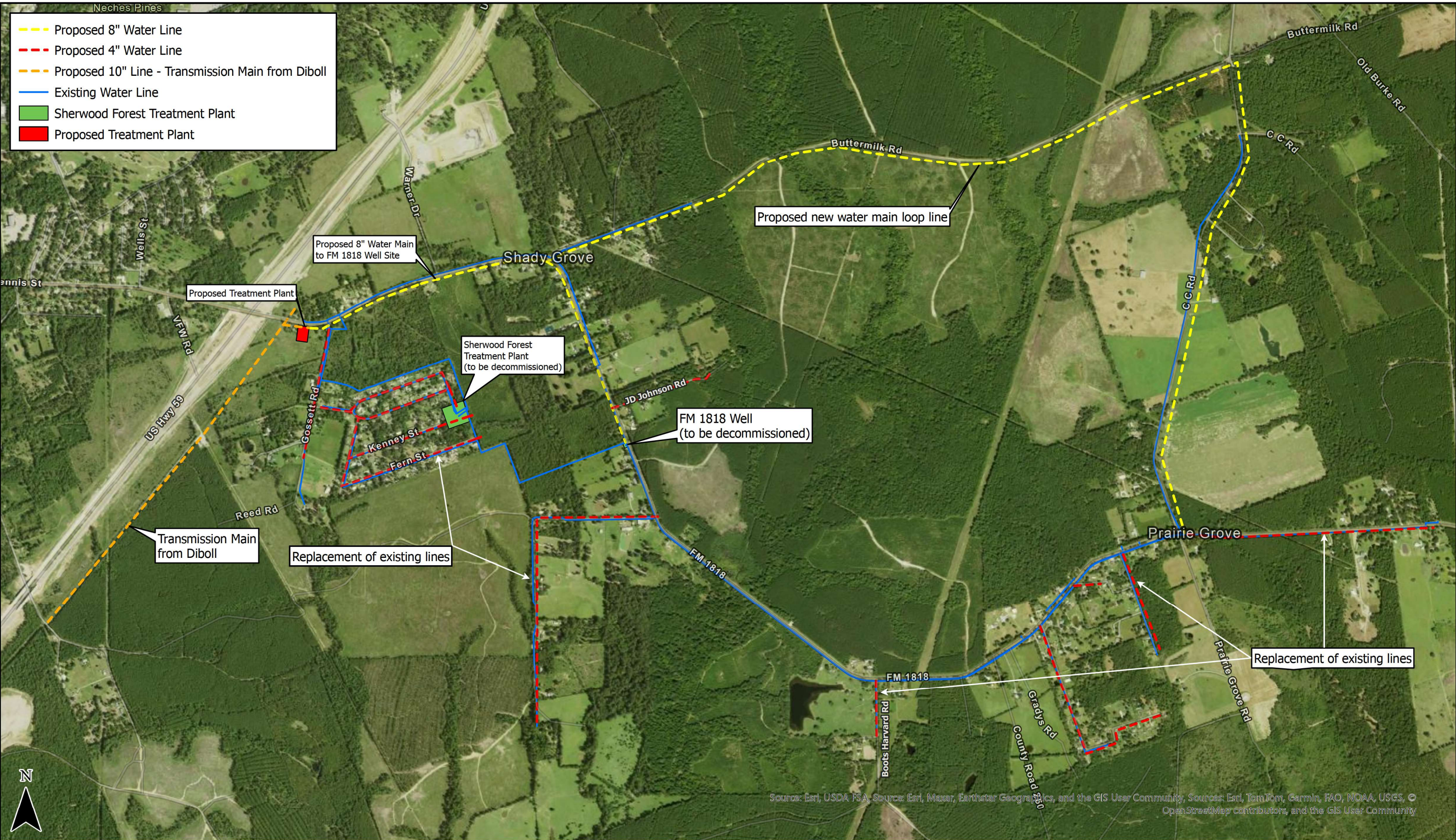
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Firm Registration No. F-520

TWDB RWF
Prairie Grove Utilities - Water System Improvements
Regional Location Map

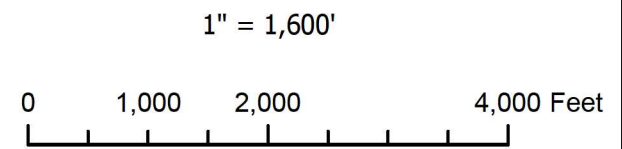


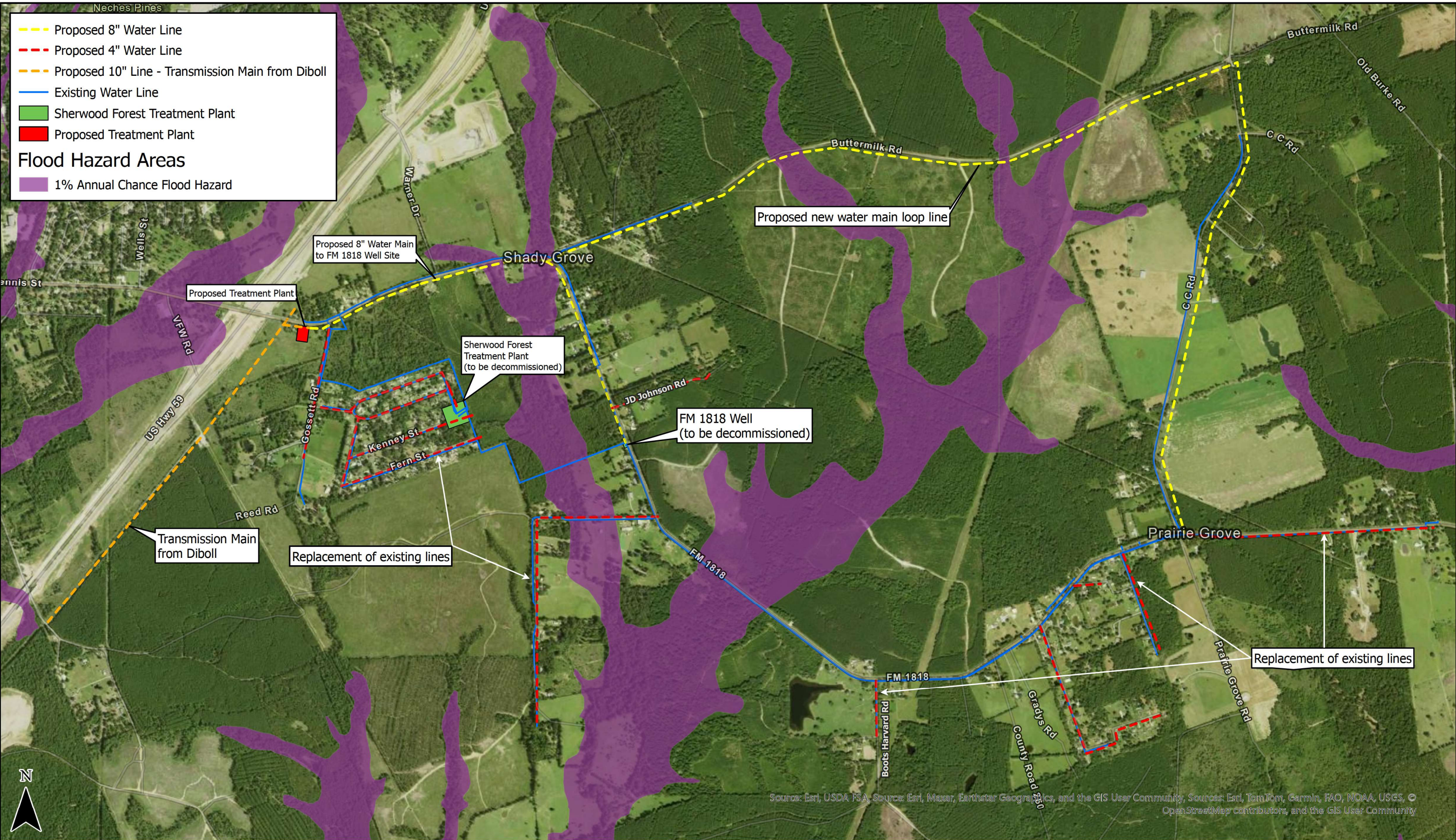


Source: Esri, USDA FSA, Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community



TWDB RWAF
 Prairie Grove Utilities - Water System Improvements
 Project Location Map





Source: Esri, USDA FSA, Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community



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MEMORANDUM

TO: T. Clay Schultz, Ph.D., Regional Water Project Development Clay Schultz Digitally signed by Clay Schultz
Date: 2026.05.19 09:02:07 -05'00'

THROUGH: Bill Blaik, Regional Water Project Development Bill Blaik Digitally signed by Bill Blaik
Date: 2026.05.04 10:32:23 -05'00'

FROM: Gayla Duaine, Environmental Protection Specialist Gayla Duaine Digitally signed by Gayla Duaine
Date: 2026.05.04 10:24:09 -05'00'

SUBJECT: Angelina and Neches River Authority, Angelina County, Texas
RWA Project No. 62936
Prairie Grove Utilities Water System Improvements
Total Anticipated Commitment Amount: \$7,705,000
Grant No. G1001920

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 Prairie Grove Utilities Water System Improvements Project proposed by the Angelina and Neches River Authority (Authority) in Angelina County, Texas. The Environmental Determination (ED) completed for the proposed project is based primarily on the Environmental Data Form (EDF)¹ received by the TWDB on December 12, 2025.

PURPOSE AND NEED

On February 25, 2022, the Authority took possession of the assets of the Prairie Grove Water Supply Corporation. The Prairie Grove Utilities water system was originally constructed in the late 1960's and is currently deficient in raw water supply, treatment, and distribution line size capacity. The proposed project includes the construction of a new water transmission main to bring purchased water from the City of Diboll, a new water treatment plant to increase supply and treatment, and the replacement and expansion of existing distribution lines.

PROJECT DESCRIPTION

Proposed project components covered by this environmental assessment include the following:

¹ Angelina and Neches River Authority (December 2025). Environmental Data Form (EDF), Prairie Grove Utilities Water System Improvements, Prepared by Schaumburg & Polk, Inc. Received by TWDB on December 12, 2025. The EDF is complete with the supplementary materials submitted to the TWDB on January 26, 2026.

- Constructing a new 10-inch raw water transmission main from the connection point with Diboll along State Highway (SH) 59 to Farm-to-Market (FM) 1818 to the new water treatment plant (WTP) site
- Constructing a new 8-inch treated water distribution line from the new plant site to the existing WTP to be decommissioned
- Constructing a new water treatment plant within a 1.26-acre property purchased by the Authority on FM 1818 near Hwy 59, which will include two ground storage tanks, an aeration tower for the removal of hydrogen sulfide, new booster pumps, chlorination equipment, electrical and SCADA equipment, equipment building and all other miscellaneous equipment and piping needed for the new facility
- Decommissioning the existing Sherwood Forest plant (well, storage tank, pumps, disinfection equipment, etc.)
- Decommissioning an existing well site on FM 1818
- Constructing a new 8-inch treated water distribution line along Buttermilk Road from FM 1818 to CC Road, and from Buttermilk Road south along both CC Road to the east and FM 1818 to the west to close a substantial loop and eliminate dead ends
- Replace all existing distribution lines and water meters throughout the system.

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, local authorities, and other stakeholders and interested parties regarding the project's potential impact. The Authority 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 No. 202601100)
- 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-2025-00148, Nationwide Permit 58 for Utility Line Activities)

- 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
- 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 2025-0049369)
- TWDB, National Flood Insurance Program (NFIP) State Coordinator and the local floodplain administrator of Angelina County, pursuant to the Flood Insurance Reform Act of 2004, federal Executive Order 11988, Texas Water Code Section 16.315, and local floodplain development ordinances

Texas Historical Commission

The THC was given the opportunity to review the project. 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. Project information was submitted for project review under Section 106 of the National Historic Preservation Act and the Antiquities Code of Texas (THC Tracking Nos. 202601100 and 202508684). A federal-level review was performed due to the need for a Nationwide Permit from the USACE. The THC staff concurred that no historic properties, archeological sites, or other cultural resources would be affected by the project, in correspondence dated October 21, 2025. A cultural resources survey was not required by the THC staff.

United States Army Corps of Engineers

The USACE, Fort Worth District Office, Regulatory Branch (USACE Project Number SWF-2025-00148), reviewed a waters of the United States (WOTUS) report dated March, 26, 2025, under the pre-construction notification procedures of Nationwide Permit General Condition 32 (Federal Register, Vol. 86, No. 8, Wednesday, January 13, 2021). The report identifies what waterbodies in the project area qualify as WOTUS according to Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act.

The project area contains seven intermittent streams and eight ephemeral streams. All intermittent streams will be bored during construction of waterline upgrades, avoiding 117 ft. of potential impacts. Ephemeral stream crossings, totaling 89 ft., are proposed to be temporarily impacted by open cutting along the water pipeline replacements. The project area also includes five wetland sites. One forested wetland of 0.15 acres will be avoided and not impacted during construction. Within four emergent wetlands, a total of 394 ft (0.09 acres) will be temporarily impacted by open cut and restored to preconstruction contours as soon as practicable after construction.

The USACE determined the discharge of dredged or fill materials into waters of the United States associated with this project appears to qualify for Nationwide Permit NWP 58 Utility Line Activities for Water and Other Substances. and. The USACE issued verification that the project appeared to be authorized under Nationwide Permit 58 - Utility Lines Activities (NWP-58) and based this decision on a preliminary jurisdictional determination (PJD) on May 20, 2025. An updated wetland delineation report² was sent on October 7, 2025, to include the new treatment plant site, on which no potential WOTUS were found.

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 April 16, 2025. The TPWD staff indicated that it does not anticipate significant adverse impacts to rare, threatened, or endangered species, or other fish and wildlife resources. However, the state listed threatened alligator snapping turtle and other amphibians and reptile species of greatest conservation need (SGCN) may wander into the project area, so the TPWD recommended several beneficial management practices to avoid or minimize potential impacts to these wildlife species. These recommendations have been summarized as special environmental conditions attached to this Environmental Determination.

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 in coordination conducted by the USACE and through the Information for Planning and Consultation (IPaC) system (Project Code No. 2025-0049369). The project area was found to intersect habitat of the Tricolored Bat (*Perimyotis subflavus*). The USFWS issued a “may affect, not likely to adversely affect” (NLAA) determination for the Tricolored Bat in a concurrence letter issued on May 6, 2025.

No known occurrences of federally listed candidate, threatened, or endangered species were present within or adjacent to the project area during the field survey. There was no designated critical habitat within the project area.

Local Floodplain Administrator

To ensure compliance with FEMA requirements, the Authority notified the local floodplain administrator for Angelina County in a letter dated December 11, 2025. No response has been received, but receipt has been documented.

² ANRA – Prairie Grove Utilities – Water System Improvements: *Potential Waters of the U.S. Assessment*, Angelina County, October 7, 2025, prepared by Michauxii Creek Environmental, US Army Corps of Engineers Project No. SWF-2025-00148.

Approximately 4,180 ft. of pipeline upgrades are expected to occur within a mapped 100-Year floodplain (Zone A). There will be no addition of fill within a floodplain, and all impacts will be temporary. Any floodplain areas impacted by construction will be returned to pre-construction contours, and there will be no increase in the base flood elevation.

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.

TxDOT is currently building a new section of SH 59. The proposed 10-inch transmission main will be located in the ROW of this new section of the highway. It is likely that construction of the highway will be complete by the time construction of the transmission main begins. No other projects that may be affected by the proposed project are known.

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:

Special Environmental Conditions

- Consistent with the Flood Insurance Reform Act of 2004, Flood Disaster Protection Act, Executive Order 11988 as amended by EO 13690, Texas Water Code Section 16.315, and local floodplain development ordinances, the Angelina and Neches River Authority (Authority) must obtain a floodplain development permit issued by the local floodplain administrator of Angelina County prior to construction in a Special Flood Hazard Area and TWDB approval of plans and specifications. Angelina County is a participant in the National Flood Insurance Program.
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- As per agreements with the Texas Parks and Wildlife Department (TPWD), Ecological & Environmental Planning Program and United States Fish and Wildlife Service (USFWS Project Code 2025-0049369), to ensure compliance with Chapter 57 of the Texas Parks and Wildlife Code, 31 Texas Administrative Code (TAC) Chapters 64, 67, and 68, the Endangered Species Act of 1973, as amended, the Migratory Bird Treaty Act, and applicable federal regulations pertaining to protected, the following measures will be implemented:
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 - Contractors and construction crews will be provided with informational materials identifying potential protected species that may occur in the project area and instructing them on how to avoid impacts to wildlife that are encountered: If wildlife are encountered, the animals will be allowed to leave the area safely. Wildlife in danger from project activities that will not readily leave the site can be translocated to a nearby area with similar habitat. Any translocations of reptiles will occur within 100-200 yards from the initial encounter location. State-listed species will be handled only by persons with authorization obtained through the Texas Parks and Wildlife Department.
 - The length of trenches left open at any given time during construction will be minimized. Trenching and backfilling activities will be kept close together in time. Trenches and excavation areas will be covered overnight and/or inspected every morning or if left open longer than two daylight hours to ensure no wildlife species have been trapped. If trenches cannot be backfilled the day of initial trenching, then escape ramps will be installed every 300 feet, in the form of short lateral trenches or wooden planks sloping to the surface at an angle of less than 45 degrees, at a ratio of one horizontal foot for every one foot of depth.
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- If tricolored bats (*Perimyotis subflavus*), alligator snapping turtle (*Macrochelys temminckii*), or the Monarch butterfly (*Danaus plexippus*) become federally listed prior to vegetation clearing and/or construction, the ENTITY will conduct additional coordination with the United States Fish and Wildlife Service to ensure compliance with the Endangered Species Act.

Standard Environmental Conditions

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