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CATEGORICAL EXCLUSION

TO ALL INTERESTED AGENCIES AND PUBLIC GROUPS:

As provided by the state environmental review process adopted in the rules of the Texas Water Development Board (TWDB), 31 Texas Administrative Code (TAC) § 375.61, for projects to be funded through the Clean Water State Revolving Fund (CWSRF) program and consistent with the National Environmental Policy Act, 42 United States Code § 4321, *et seq.*, the TWDB has determined that the proposed action identified below may be exempted from formal environmental review requirements:

City of Arp, Smith County, Texas
TWDB CWSRF Project No. 73947
Sewer Plant Replacement and I & I Reduction Project
Total Anticipated Financing Amount: \$15,700,000
Loan Nos. LF1001924, LF1002470, L001923, L1002468, L1002469

The Texas Water Development Board (TWDB) has conducted an initial review of the Sewer Plant Replacement and Inflow and Infiltration (I & I) Reduction project proposed by the City of Arp (City), pursuant to the environmental review requirements of 31 Texas Administrative Code (TAC) § 375.61. The City provides wastewater services to a population of approximately 970 in Smith County, about 15 miles southeast of Tyler, Texas.

The City is proposing to use \$15,700,000 in financing from the CWSRF program to construct a new 0.30 million gallons per day (MGD) wastewater treatment plant (WWTP) at the same site as the existing, 0.211 MGD WWTP and to conduct sanitary sewer system repairs to address inflow and infiltration issues in the collection system.

The proposed project is needed to resolve compliance issues with the Texas Commission on Environmental Quality (TCEQ) and aging infrastructure at their existing 70-year-old WWTP. The City is under enforcement action for a number of violations including exceeding TCEQ limits for *Escherichia coli*, biochemical oxygen demand (BOD), daily flows, and total suspended solids (TSS). The collection system has also been identified as having a significant inflow and infiltration issue contributing to the City exceeding their daily flow limit.

Specific project components proposed include:

- Construction of activated sludge treatment plant
- Construction of new building for treatment equipment and electrical controls at WWTP

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Board Members

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

- Construction of 100,000-gallon surge tank on WWTP site
- Installation of SCADA system at WWTP
- Replacement of 14,500 feet of HDPE sewer pipe in collection system
- Replacement of 2,300 feet of customer service lines
- Rehabilitation of Lift Station No. 1 (Allen Street) and Lift Station No. 2 (Highway 135)
- Replacement and relocation of the Linwood Lift Station out of the road easement
- Acquisition of a 40-ft x 40-ft section of roadside property for placement of Linwood Lift Station
- Replacement of 41 existing manholes

Existing sewer lines will be replaced by pipe-bursting, and the overlying pavement will be replaced. Environmental impacts will be similar to rehabilitation activities and limited to those associated with excavation, pipe installation, and road repair. In some cases, the location of the replacement pipe may not be immediately adjacent to the existing line (e.g., opposite side of street).

There are no previously recorded significant or potentially significant historical or cultural sites within or adjacent to the project footprint, according to the Texas Historical Commission's Archeological Sites Atlas, nor is the proposed project within a protected area surrounding a historic cemetery, structure, or district. To ensure that there will be no adverse environmental impacts associated with the construction of the Linwood Lift Station, the City coordinated with the Texas Historical Commission (THC). The Texas Historical Commission provided a determination dated March 17, 2026, that confirmed that no historic properties are present on, or affected by, the proposed project, and that the project would have no effect on identified archeological sites or other cultural resources (THC Tracking No. 202607704).

The proposed project will not adversely impact waters of the United States, including wetlands, as no identified or potential waters of the United States have been identified in the project areas. The proposed project is not located within the 100-year floodplain; therefore, coordination with the local floodplain administrator was not required. In addition, the proposed project is not expected to impact threatened or endangered species or habitat.

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 staff of the TWDB recommended issuance of a Categorical Exclusion (CE) for this project. The decision to grant a CE is allowed because the specified project elements will not cause significant adverse impacts to the quality of the human environment or protected natural resources. Documentation supporting this determination is on file at the TWDB.

This determination shall be revoked if it is found that

- (1) the project no longer meets the requirements for categorical exclusion from full environmental review as a result of changes in the project;
- (2) the project involves extraordinary circumstances as described in 31 TAC § 375.62;
or
- (3) the project may violate or has violated federal, state, local, or tribal laws.

The proposed project must comply with the following standard environmental conditions:

Standard Environmental Conditions

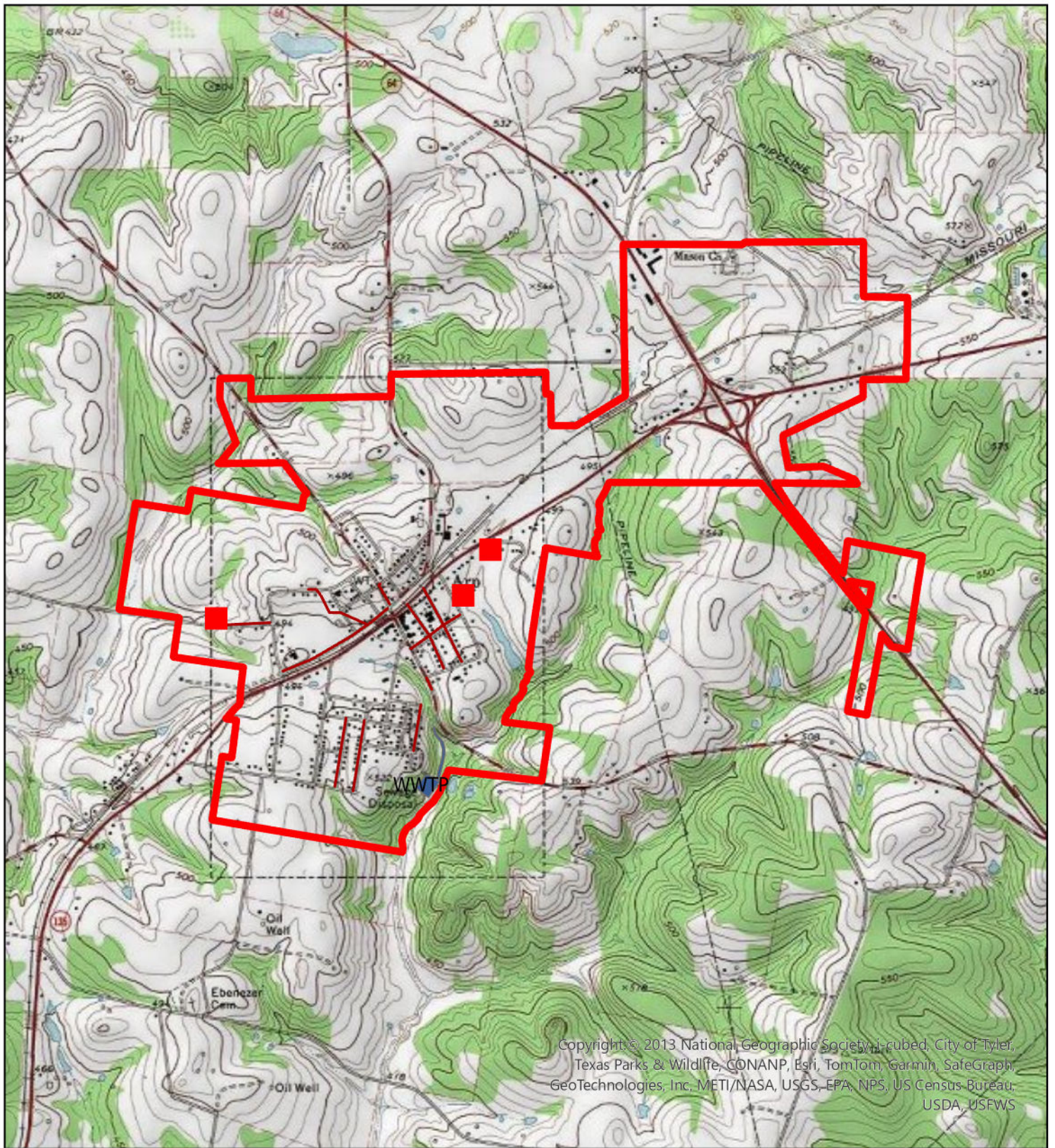
- Consistent with the TWDB Supplemental Construction Contract Conditions (TWDB-0550), the City of Arp will abide by the standard emergency condition for the discovery of cultural resources.
- Consistent with the TWDB Supplemental Construction Contract Conditions (TWDB-0550), the City of Arp will abide by the standard emergency condition for the discovery of threatened and endangered species.

Comments regarding this determination may be submitted to the Director of Regional Water Project Development, Texas Water Development Board, P.O. Box 13231, Austin, Texas 78711-3231 or via email at RWPD-Environmental@twdb.texas.gov.

Sincerely,

T. Clay Schultz, Ph.D., Director
Regional Water Project Development

Enclosure



City of Arp

Legend

■ Lift_Stations

Replacement Lines

SymbolID

— 0

0 0.25 0.5 1 Miles

