FINAL ENVIRONMENTAL ASSESSMENT

June 15, 2026

Water Quality Division
Engineering Bureau
Montana Department of Environmental Quality

PROJECT/SITE NAME: LAKESIDE WASTEWATER IMPROVEMENTS PROJECT – PHASE 2

APPLICANT/COMPANY NAME: Lakeside County Water & Sewer District

PROPOSED PROJECT NUMBER: C301326

LOCATION: East ½ Southwest ¼ Section 11, East ½ Northeast ¼ Section 14, and West ½ Northwest ¼ Section 13 Township 27 North Range 21 West or 48.1° North, 114.2° West

COUNTY: Flathead County

PROPERTY OWNERSHIP: Lakeside County Water and Sewer District

TABLE OF CONTENTS

TABLE OF ACRONYMS AND ABBREVIATIONS

Acronym	Meaning
DEQ	Montana Department of Environmental Quality
EA	Environmental Assessment
EIS	Environmental Impact Statement
EPA	United States Environmental Protection Agency
gpd	Gallons per day
LCWSD	Lakeside County Water & Sewer District
MCA	Montana Code Annotated
MEPA	Montana Environmental Policy Act
MGWPCS	Montana Ground Water Pollution Control System
MPDES	Montana Pollutant Discharge Elimination System
NRCS	Natural Resources Conservation Service
PER	Preliminary Engineering Report
RIB	Rapid Infiltration Basin
SBR	Sequencing Batch Reactor
SWC	Storm Water Construction (general permit for construction stormwater)
SWPPP	Storm Water Pollution Prevention Plan
TN	Total Nitrogen
TP	Total Phosphorus
WPCSRF	Water Pollution Control State Revolving Fund
WWTF	Wastewater Treatment Facility
DEQ-2	Circular DEQ-2: Design Standards for Public Sewage Systems

OVERVIEW OF PROPOSED ACTION

Authorizing Action

Under the Montana Environmental Policy Act (MEPA), Montana agencies are required to perform an environmental review for state actions that may have an impact on the Montana environment. The Proposed Action is considered to be a state action that may have an impact on the Montana environment and, therefore, the Department of Environmental Quality (DEQ) must prepare an environmental review. This Environmental Assessment (EA) will examine the proposed action and alternatives to the proposed action and disclose potential and proximate impacts that may result from the proposed and alternative actions. DEQ will determine the need for additional environmental review based on consideration of the criteria set forth in Administrative Rules of Montana (ARM) 17.4.608. The DEQ Engineering Bureau has prepared this EA to satisfy the requirements of the Montana Environmental Policy Act (MEPA) and the National Environmental Policy Act (NEPA).

Abstract

The Lakeside County Water and Sewer District's (LCWSD or District) current wastewater treatment facility was originally constructed in 1988 and was updated in 1994 and 2010. However, as outlined in the September 2025 Lakeside County Water & Sewer District Wastewater Treatment Facility Plan (PER), LCWSD has concluded that the treatment facility requires an upgrade to ensure the District can continue to effectively treat wastewater, because the current and projected growth of the LCWSD is approaching the existing system's capacity. Additionally, in March 2024, the LCWSD entered into an agreement with Flathead County under which LCWSD would accept and treat septage pumped from septic tanks within the county. The District's existing aerated lagoon system is incapable of reliably treating the additional

septage load and handling the District's projected growth. The septage receiving component and its pretreatment measures (screening, grit removal, equalization tank with chemistry monitoring) is further described in DEQ Fact Sheet, Section 2.2 (2025), that was completed for Phase 1. As described in the Phase 1 Fact Sheet, the permit also requires a Septage Handling and Treatment Operation Manual (Section 7.1, Special Conditions).

This EA includes a summary of the environmental impacts of the Phase 2 wastewater treatment system improvements for the LCWSD, and it does not analyze impacts from Phase 1 or the associated Montana Ground Water Pollution Control System (MGWPCS) permit (See Proposed Action section below for additional information on the scope of this EA). Where impacts from Phase 1 or the associated MGWPCS permit have been previously analyzed in a separate environmental review, that environmental review will be incorporated by reference in this EA. Through the alternatives analysis summarized in this EA, as presented in the PER, the District selected a sequencing batch reactor (SBR) advanced biological nutrient removal treatment system for the Phase 2 improvement project. Imagery of generic SBRs are included below as Figures 5-7. Phase 2 would also include construction of three (3) rapid infiltration basins (RIBs) for groundwater disposal of treatment effluent.

The Phase 2 project would include a mechanical wastewater treatment plant to replace the existing aerated treatment lagoons, solids handling facilities, and construction of three shallow earthen basins, referred to as rapid infiltration basins (RIBs), for disposal of treated wastewater. Figure 8 below presents a process flow diagram of the proposed WWTF, as it relates to the Phase 1 and the Phase 2 review.

Description of DEQ Regulatory Oversight

Under 75-6-112, MCA, no person may construct, extend, or use a public sewage system until the Department of Environmental Quality (DEQ) has reviewed and approved the plans and specifications for the project. Under the Montana Water Pollution Control State Revolving Fund Act (WPCSRF), the DEQ may loan money to municipalities for construction of public sewage systems.

All proposed improvements would be designed to meet state standards in accordance with Design Standards for Public Sewage Systems (Circular DEQ-2) and would be constructed using standard construction methods. Best management practices (BMPs) would be implemented to minimize or eliminate pollutants during construction activities.

DEQ would require that treated wastewater applied at the irrigation site meet the water quality standards in Circular DEQ-2. Application of treated wastewater to the irrigation site would be required to be limited to hydrologic soil characteristics and the rate at which the crop can utilize residual nutrients in the treated wastewater to ensure minimal impacts to surface and groundwater resources. The District would establish a Nutrient Management Plan, as required in Circular DEQ-2 to establish BMPs for the land application site, to ensure long term compliance with state standards. The groundwater discharge permit includes a detailed compliance schedule (Table 4) with specific deadlines for submitting operational manuals, installing additional monitoring wells (MW-6, MW-7), and commencing monitoring. (DEQ Permit No.: MTX000307, April 28, 2026)

Effluent wastewater quality to the proposed rapid infiltration basins (RIBs or infiltration/percolation (IP) cells) would be required to meet the limits established in the groundwater discharge permit (MTX000307). The ability of the proposed treatment system to meet these limits would be verified through modeling results and compliance with Circular DEQ-2 standards. Periodic effluent water quality sampling, as required by the permit, would verify compliance. Groundwater monitoring at seven wells

would be required as a Special Condition of the permit to verify hydrogeologic data and to use in future discharge permit cycles. The permit requires installation of two new groundwater monitoring wells (MW-6 and MW-7) on the downgradient boundary of the mixing zones pursuant to a Monitoring Well Installation Plan. Monitoring wells MW-1 through MW-5 were previously existing but would be sampled using the same method as MW-6 and MW-7.

DEQ's Water Protection Bureau regulates storm water discharges associated with construction activities. Any person who discharges or proposes storm water discharges associated with construction activity must obtain MPDES permit coverage under the Montana DEQ General Permit for Stormwater Discharge Associated with Construction Activity (SWC). Additionally, any dewatering activity during construction that results in dewatering effluent reaching state surface waters will require coverage under the Montana DEQ General Permit for Construction Dewatering.

DEQ would require an asbestos inspection to be completed prior to starting construction to identify possible asbestos-containing materials. No additional permits would be required from the State Revolving Fund section of the DEQ for this project after review and approval of the submitted plans and specifications.

Floodplain, wetland, and streambed permitting is not anticipated to be necessary for the project, but should any be required, the applicant would be required to comply with local, state, and federal regulations.

The adequacy of water, sewage, solid waste, and storm drainage systems are subject to a MEPA review, which requires DEQ to evaluate proximate environmental impacts from the proposed action, identify substantive public concerns and to evaluate reasonable alternatives. The extent of DEQ's MEPA review for this project is limited to DEQ's proposed approval of plans and specifications for the Phase 2 wastewater treatment facility (WWTF) and RIB system and provision of financial assistance through the WPCSRF program (collectively, the Phase 2 WWTF and RIB system), as described in the Proposed Action section below.

Public water supply laws (75-6-101, *et seq.,* MCA)
DEQ also implements the public water supply laws of Montana, which oversees the protection, maintenance, quality, and potability of water for public water supplies and domestic uses (75-6-101, *et seq*., MCA). The act also oversees public sewage systems, which are defined as systems of collection, transportation, treatment, or disposal of sewage that serves 15 or more families or 25 or more persons daily for any 60 or more days in a calendar year. For purposes of this EA, public sewage systems are limited to a WWTF and their related appurtenances, which are also reviewed under Circular DEQ-2.

Water Quality Act (75-5-101, *et seq*., MCA).
Finally, DEQ implements the Montana Water Quality Act, which governs discharges of pollutants to Montana state waters (75-5-101, *et seq*., MCA). Water quality impacts resulting from the discharge of treated wastewater effluent from the Phase 2 WWTF and RIBs were included in a previously prepared Final EA dated April 28, 2025, for the issuance of MGWPCS permit MTX000307 and plan and specifications approval for Phase 1 wastewater system improvements to the LCWSD. Further information may be found in the DEQ Fact Sheet (2025) that was completed for Phase 1, regarding the nondegradation analysis, MOUNDSOLV modeling, 305-foot mixing zone, the >50-year phosphorus breakthrough, and the specific travel times to receiving surface waters. The ability of the proposed treatment system improvements to meet the effluent water quality limits established in the MGWPCS permit will be verified through compliance with Montana DEQ's design standards Circular DEQ-2.

Proposed Action

Lakeside County Water & Sewer District (LCWSD or District) has applied to construct a WWTF under section 75-6-112, Montana Code Annotated (MCA). The proposed action would be located on LCWSD land, in Somers, Montana, as depicted in Figures 1-4 below. All information included in this EA is derived from the permit application, the LCWSD, discussions with the applicant, discussions with members of the public, analysis of aerial photography, topographic maps, and other research tools.

DEQ previously prepared a Final EA dated April 28, 2025, for the issuance of MGWPCS permit MTX000307 and plan and specifications approval for Phase 1 wastewater system improvements to the LCWSD. That Final EA evaluated DEQ's actions to: (1) issue the MGWPCS permit authorizing discharge of treated domestic wastewater to groundwater via a RIB system; and (2) approve plans and specifications for Phase 1 wastewater system improvements, which included a new septage receiving facility, new headworks, a buried force main connecting those facilities, and replacement of Lift Station #10 within the District's collection system.

The April 2025 Final EA determined that an Environmental Impact Statement was not required for the Phase 1 actions. That document, together with the MGWPCS permit and associated engineering submittals, forms part of the administrative record for the LCWSD improvements.

This EA addresses a different set of state actions, which DEQ refers to collectively as "Phase 2." For Phase 2, DEQ is considering: (1) approval of plans and specifications for construction and operation of a wastewater treatment facility (sequencing batch reactor) and associated sludge handling facilities under the Montana public water supply laws; and (2) provision of financial assistance through the Montana Water Pollution Control State Revolving Fund (WPCSRF) program. In this EA, the term Phase 2 wastewater treatment facility (WWTF) and rapid infiltration basin (RIB) system refers collectively to the sequencing batch reactor treatment plant, associated sludge-handling facilities, three RIBs, and interconnected piping that make up the physical Phase 2 project. Phase 2 would allow LCWSD to treat additional domestic wastewater and septage and to operate the RIBs and existing storage lagoons as part of an integrated treatment and disposal system.

To avoid duplication, this EA incorporates by reference the April, 2025 Final EA for groundwater discharge permit MTX000307 for issues that were analyzed in that document. For example, that document examined impacts from the groundwater discharge permit, as well as the septage receiving facility and headworks. This EA does not re-evaluate those Phase 1 decisions or re-open the MGWPCS permitting action.

The scope of this Phase 2 EA is limited to the direct, secondary and cumulative impacts that may result from DEQ's Phase 2 actions—approval of plans and specifications for the Phase 2 WWTF and RIB system. These impacts include: construction and operation of the Phase 2 WWTF and RIB system (mechanical treatment plant, three RIBs, and associated underground piping); changes in energy use; as well as human health and safety considerations associated with Phase 2 construction and operation. In evaluating significance under ARM 17.4.608, DEQ considers the Phase 2 impacts together with the existing Phase 1 facilities and permit conditions, and the combined record of both EAs constitutes DEQ's MEPA documentation for the overall LCWSD improvement program (Phases 1 and 2).

This EA focuses on environmental impacts that are within the scope of DEQ's Phase 2 approval and funding decisions and addresses those issues to the extent they bear on water quality, human health, and related

MEPA factors. Decisions about how to manage local land-use approvals and future capacity commitments or growth planning, such as "will-serve letters", are made by LCWSD and local governments and are outside the scope of this EA and DEQ's Phase 2 approval.

Table 1. Summary of Proposed Action	
General Overview	The proposed action includes construction of the Phase 2 wastewater treatment facility (WWTF), solids handling facilities, and rapid infiltration basin (RIB) system—a new mechanical treatment plant, three RIBs for groundwater disposal, and interconnected piping—and subsequent operation of the Phase 2 WWTF and RIB system together with the previously approved septage receiving facility. Following construction of the Phase 2 project, the septage receiving facility would be able to accept and treat septage. Following construction of the Phase 2 WWTF the District would continue to utilize the two storage lagoons for winter storage of treated effluent. Treated effluent from the Phase 2 WWTF would be discharged to the RIBs and seasonally to the existing irrigation site. The two existing aerated storage lagoons would be abandoned.
Duration & Hours of Operation	***Construction:*** approximately 365 - 500 calendar days during daylight hours, adjusted for seasonal variation (generally, 7am - 7pm) ***Operation:*** Continuous
Estimated Disturbance	Approximately 8 acres of land would be utilized for construction of the proposed Phase 2 improvements.
Construction Equipment	- Backhoe - Boom truck - Dozer - Dump truck - Excavator - Front end loader - Light duty passenger trucks - Skid steer - Water truck - Crane
Personnel Onsite	***Construction:*** Sequencing and the type and number of equipment and personnel would be determined by the general contractor and may vary through the construction process. A crew of 10 – 20 personnel is typically required to complete this proposed action, including up to three operators. ***Operation:*** The proposed WWTF would require one to two full-time operators onsite during regular business hours and occasional weekend time. Operation of the septage receiving facility would include at least one full-time employee during business hours.

Table 1. Summary of Proposed Action	
Location and Analysis Area	***Location:*** 48.1° North Latitude, 114.2° West Longitude ***Analysis Area:*** The area being analyzed as part of this environmental review includes the immediate project area (Figure 1), as well as neighboring lands surrounding the analysis area, as reasonably appropriate for the impacts being considered.

Table 2 The applicant is required to comply with all applicable local, county, state, and federal requirements pertaining to the following resource areas.	
Air Quality	The applicant proposes to mitigate dust through the application of dust abatement measures on haul roads. In addition, water would be applied to disturbed areas to control airborne dust.
Water Quality	The applicant proposes to provide a wastewater treatment system that meets the minimum design requirements of Circular DEQ-2. Design calculations and modeling will be required to show treated wastewater quality does not exceed the limits established in MGWPCS permit MTX000307. Any dewatering discharges during construction that reach state waters would require coverage by Montana's General Permit for Construction Dewatering.
Erosion Control and Sediment Transport	Circular DEQ-2 requires that construction methods that will minimize siltation and erosion must be used. Best management practices (BMP's) must be utilized during construction. Such methods must provide adequate control of siltation and erosion by limiting unnecessary excavation, disturbing or uprooting of trees and vegetation, dumping of soil or debris, or pumping of silt-laden water into the stream. Specifications require that cleanup, grading, seeding and planting or restoration of all work areas begin immediately after the construction has been completed. Exposed areas may not remain unprotected for more than seven days. Construction activities will be covered by the Montana's General Permit for Stormwater Discharges Associated with Construction. The contractor will be required to submit a stormwater pollution prevention plan (SWPPP) that will outline how BMPs will be utilized and maintained to prevent impacts to surface water from stormwater runoff during and following construction.

Table 2 The applicant is required to comply with all applicable local, county, state, and federal requirements pertaining to the following resource areas.	
Solid Waste	The applicant proposes to follow BMPs, outlined in the project specifications, to manage and dispose of solid waste generated during construction. During facility operation, the applicant would handle and ultimately dispose of any biosolids generated from the wastewater treatment process in accordance with 40 CFR 503, regulated by the United States Environmental Protection Agency (EPA). Following construction of the Phase 2 WWTF, the two existing aerated treatment lagoons operated by the District would be abandoned. The abandonment of the lagoons, storage, and disposal of any accumulated sludge must be performed in accordance with 40 CFR Part 503 as regulated by the United States Environmental Protection Agency. The two existing storage lagoons operated by the District will continue to be used with the Phase 2 WWTF. The depth of biosolids on the floor of those lagoons was measured by the District in October 2025 to average 7 inches. The District should continue to monitor the biosolids depth in the storage lagoons and remove and dispose of the material in accordance with 40 CFR 503 prior to the depth reaching the 12-inch design maximum depth.
Cultural Resources	Should historic structures need to be altered or if cultural materials are inadvertently discovered during this project, SHPO asks that their office be contacted, and the site investigated.
Hazardous Substances	Circular DEQ-2 requires that the identification and hazard warning data included on shipping containers must appear on all containers (regardless of size or type) used to store, carry, or use a hazardous substance. Wastewater and sludge sample containers should be adequately labeled.
Reclamation	The applicant proposes to reseed and maintain all disturbed areas. Requirements for maintenance of reclaimed areas would be included in the construction specifications. Site grading and stormwater management facilities would be integrated into the site design to maintain adequate drainageways. The contractor's SWPPP would also need to include maintenance requirements for areas disturbed during construction.

Table 3. Cumulative Impact Considerations	
Past Actions	Within the analysis area, LCWSD has operational aerated wastewater treatment lagoons two storage lagoons, and irrigation/land-application infrastructure. The existing lagoon system treats and stores treated wastewater during winter months and supports spray irrigation during the growing season, and those operations help define the current baseline condition of soils, groundwater, and nearby surface waters in the project area. The existing storage lagoons and irrigation infrastructure would remain in use in combination with the Phase 2 WWTF and RIB system. On April 28, 2025, the Department issued a MGWPCS permit (DEQ Permit No.: MTX000307) and plan and specification approval for construction of a septage receiving facility, a headworks facility at the District's current treatment site, interconnecting pipe between the two facilities, and reconstruction of Lift Station #10 within the District's collection system. That action did not authorize the septage facility to accept and treat septage or construction of facilities to physically discharge treated wastewater under the MGWPCS permit.
Present Actions	The presently proposed action includes construction of the Phase 2 WWTF and RIB system—a new mechanical treatment plant, three RIBs for groundwater disposal, and interconnected piping—and subsequent operation of the Phase 2 WWTF and RIB system. Following construction of the Phase 2 WWTF, the septage receiving facility (constructed under Phase 1) would be allowed to begin accepting and treating septage. LCWSD currently operates the existing lagoon and land-application system and the Phase 2 WWTF and RIB system would function together with the existing storage lagoons and irrigation system as a single wastewater treatment and disposal system. Following construction of the Phase 2 WWTF, the District's existing aerated treatment lagoons would be abandoned and the existing storage lagoons would continue to operate.

Related Future Actions	The District has submitted a separate application for a tertiary treatment system proposed at the existing LCWSD facility site following Phase 2 construction. DEQ does not yet have a complete application for that project, and its specific environmental effects cannot be fully evaluated at this time. The tertiary project would, if approved, involve additional ground disturbance within the existing facility footprint, likely near the constructed SBRs; see the Geography and Soils and Water Quality, Quantity and Distribution sections of this EA for discussion of the proposed tertiary treatment as it relates to cumulative impacts. An environmental review of the tertiary treatment project would be conducted under a separate MEPA process once a complete application is received, if required under applicable law. Other related future actions are unknown at this time. The applicant may submit to DEQ an application to amend the plan for the site at any time, which DEQ would review pursuant to Montana law, 75-6-112, MCA. Any future actions would be subject to corresponding MEPA review.

Purpose, Need, and Benefits

DEQ's purpose in conducting this environmental review is to act upon Lakeside County Water & Sewer District's (LCWSD) application for an approval to construct a wastewater treatment facility (Phase 2). DEQ's action on the permit application is governed by § 75-6-104, 75-6-112, et seq., Montana Code Annotated (MCA) and the Administrative Rules of Montana (ARM) 17.38.101.

The applicant's purpose and need, as expressed to DEQ through an application or wastewater engineering review submittal, is to construct and operate a WWTF under the requirements of § 76-4-101, et seq., § 75-5-101, et seq., and § 75-6-101, et seq., MCA, as applicable.

The LCWSD serves the Lakeside census designated place (CDP) along the northwestern shores of Flathead Lake. In 1994, the community of Somers entered an interlocal agreement with the LCWSD, whereby the District would collect, treat, and dispose of wastewater from the community. This northwestern corner of Flathead Lake has historically been a popular summer recreation destination. Recent development in the area and shifts from vacation homes to year-round residences have resulted in increased flows to the LCWSD WWTF. The existing lagoon system operates without a DEQ-issued wastewater discharge permit with storage of treated wastewater during the winter months and irrigation reuse (land application) during the agricultural season. The current capacity in the facility's storage lagoon and irrigation site has limited the ability of the District to accommodate projected increased wastewater flows or accept new connections.

In a 2007 PER, the District identified potential alternatives to increase the capacity of the treatment facility. The alternatives and anticipated design flows were further analyzed and refined in 2013 and 2019 amendments to the 2007 PER. The recommended alternative, presented in those planning documents, was to add an additional storage lagoon at the treatment site and additional land application or infiltration cells. A geotechnical investigation, performed in 2022 by Alpine Geotechnical as part of preliminary engineering design, determined that soil and groundwater conditions in the area of the proposed improvements would likely require groundwater mitigation and embankment construction that were cost prohibitive by the District at that time.

In 2023, the District entered into an agreement with Flathead County to construct a septage receiving

facility to serve the county through collection and treatment of septage pumped from septic tanks within the county. The District's existing aerated lagoon system would be incapable of effectively treating the high strength septage received by the facility. To reliably treat the increased wastewater loading to the required effluent quality, the District needed to investigate advanced nutrient removal wastewater treatment technologies.

The existing storage lagoons operated by the District are used to store treated wastewater during the winter months when the District cannot discharge treated effluent to the irrigation pivot. The current capacity of the storage lagoons is limited, and cannot store the projected winter flows for the growth period presented in the PER. The need for centralized septage management in the Flathead Basin was expressed by several commenters during the public comment period.

The LCWSD has identified groundwater discharge as the preferred alternative for increasing disposal capacity at the facility. This method would supplement the existing land application system. The proposed groundwater discharge facility for Phase 2 would include three rapid infiltration basins (RIBs), which are treated effluent equalization basin/pump stations. Treated effluent would be divided between groundwater disposal through the RIBs and land application by maintaining the existing land application disposal capacity. This option would increase the available storage capacity for the land application system with the ability to discharge treated effluent in the winter providing a more efficient storage scenario. There would be an increase of approximately 26,000 gallons per day of storage.

RIBs facilitate the controlled application of treated wastewater to groundwater, allowing for year-round discharge. As treated wastewater is released from the treatment system, it would be stored in the treated effluent equalization basin. A pump station would then transfer the water to each RIB through buried piping. Actuated valves would be programmed to direct the flow to the designated RIB.

The LCWSD engaged Water & Environmental Technologies to collect hydrogeologic data and perform modeling to evaluate the impacts of discharging treated effluent. Based on Water & Environmental Technologies' study, three RIBs were permitted by DEQ on April 28, 2025, for groundwater discharge. The RIBs are named "1,2, and 3", respectively. Each RIB has a specific size based on the groundwater mounding and mixing zone required.

Flow and Load Projections

Given the disposal capacity, significant capital cost, and potential variability of growth patterns, the District determined that it would proceed with construction of treatment facility upgrades with Phase 2 to meet the 10-year projected growth period. Per the District, all improvements would be constructed to allow for future expansion.

Influent flows to the District's treatment facility are measured by a magnetic flow meter. The average daily flow for the period from 2021 to 2024 was approximately 245,630 gallons per day (gpd). The average daily flow for 2024 was 257,742 gpd. This equates to an existing average daily flow per EDU of 162 gpd. At 2.3 people per EDU, the average per capita flow rate equates to 70 gallons per capita day (gpcd).

Flathead County has experienced significant population increase in recent years. Estimated growth served by the District's wastewater collection and treatment system were presented in the PER. Projected flows in the PER assumed that new development would be expected to be more full-time residents, so it used a higher value of 100 gpcd, resulting in an average per EDU flow rate of 230 gpd. Table 4 below presents the projected design flows for the proposed facility.

Table 4 PROJECT FLOWS AT LAKESIDE WWTP FOR PLANNING PERIOD					
Period	EDUs	Average Daily Flow (gpd)	Average Winter Flow (gpd)	Average Summer Flow (gpd)	Max Month Flow (gpd)
Current	1,591	257,742	234,545	280,939	329,910
10-year	2,957	571,922	531,887	611,956	677,930

In addition to projected domestic wastewater, the District's proposed treatment facility would also receive screened effluent from the septage receiving facility. According to the Flathead County Environmental Health Department, there are over 24,000 permitted onsite subsurface wastewater treatment systems (SWTSs) within the county. Conventional SWTSs function with a septic tank where solids settle, and biological treatment occurs. Regular maintenance of SWTSs includes periodically pumping out solids (septage) from septic tanks to maintain proper system operation. Traditionally in Flathead County, disposal of pumped septage has been through disposal at land application at sites permitted by Montana DEQ. Significant rural development within the county, a subsequent increase in the number of SWTSs, stringent discharge limits and reduced availability of permitted disposal sites have resulted in the need for more efficient disposal options. In 2023, Flathead County signed an interlocal agreement with the LCWSD stating that the LCWSD would accept, treat, and dispose of treated effluent from the planned septage treatment facility.

The Flathead County Septage Treatment & Composting Facility Basis of Design Report assumed that some pumpers would continue to utilize currently permitted land application sites, but that the percentage of septage received at the facility would increase throughout the planning period. The report estimated approximately 50% more septage would be received during summer months compared to winter months. The projected volumes of septage received on a weekday at the facility for the planning period are 30,000 gpd and 53,250 gpd for winter and summer respectively.

To maintain consistent loading of the received septage to the treatment process, the proposed project would include a 100,000-gallon aerated equalization tank as part of the treatment system. A water balance performed as part of the PER projected that daily septage loading to the proposed WWTF from the equalization tank would be 21,429 gpd and 38,036 gpd for winter and summer respectively. Screened septage from the equalization tank would be blended with domestic wastewater to provide a consistent influent load to the biological treatment process. Biological wastewater treatment processes operate most effectively when influent loading is consistent.

Wastewater influent strength to the WWTF would be based upon current influent wastewater quality sampling projected over the growth period. The additional organic loading from screened septage was based upon sampling of current septage pumpers as well as textbook values. Septage is considered "high strength" in that it typically contains a higher biological oxygen demand (BOD), total suspended solids (TSS), nitrogen, and phosphorus concentrations. As mentioned above, the proposed project would include an equalization tank to provide a uniform dosing of screened septage mixed with the influent domestic wastewater. Table 5 presents the projected wastewater flows and loading to the treatment facility.

Table 5 PROJECTED WASTEWATER FLOW AND LOADING								
Season	Constituent	Domestic		Septage		Combined		
		gpd	mg/L	gpd	mg/L	gpd	lbs/day	mg/L
Winter	BOD	532,000	350	21,429	5,400	553,429	2,518	546
	TSS		268		10,000		2,976	645
	Nitrogen		54		806		384	83
	Phosphorus		7		200		67	14
Summer	BOD	612,000	350	38,036	5,400	650,036	3,499	645
	TSS		268		10,000		4,540	837
	Nitrogen		54		806		531	98
	Phosphorus		7		200		99	18
Max Month	BOD	678,000	350	38,036	5,400	716,036	3,692	618
	TSS		268		10,000		4,688	785
	Nitrogen		54		806		561	94
	Phosphorus		7		200		103	17

Figure 1. General Location of the Proposed Project

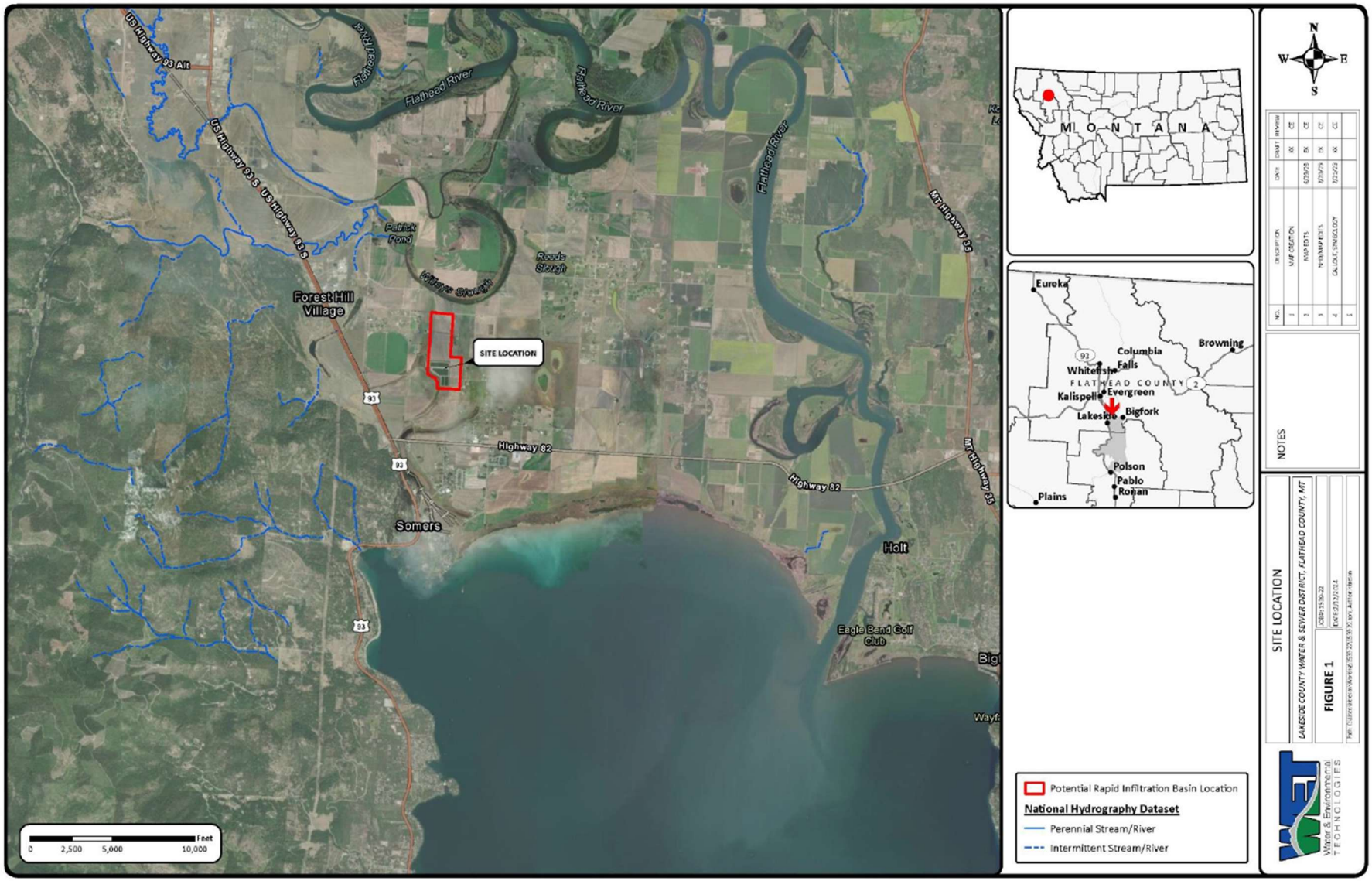


Figure 2. Locations of Current and Proposed Operations

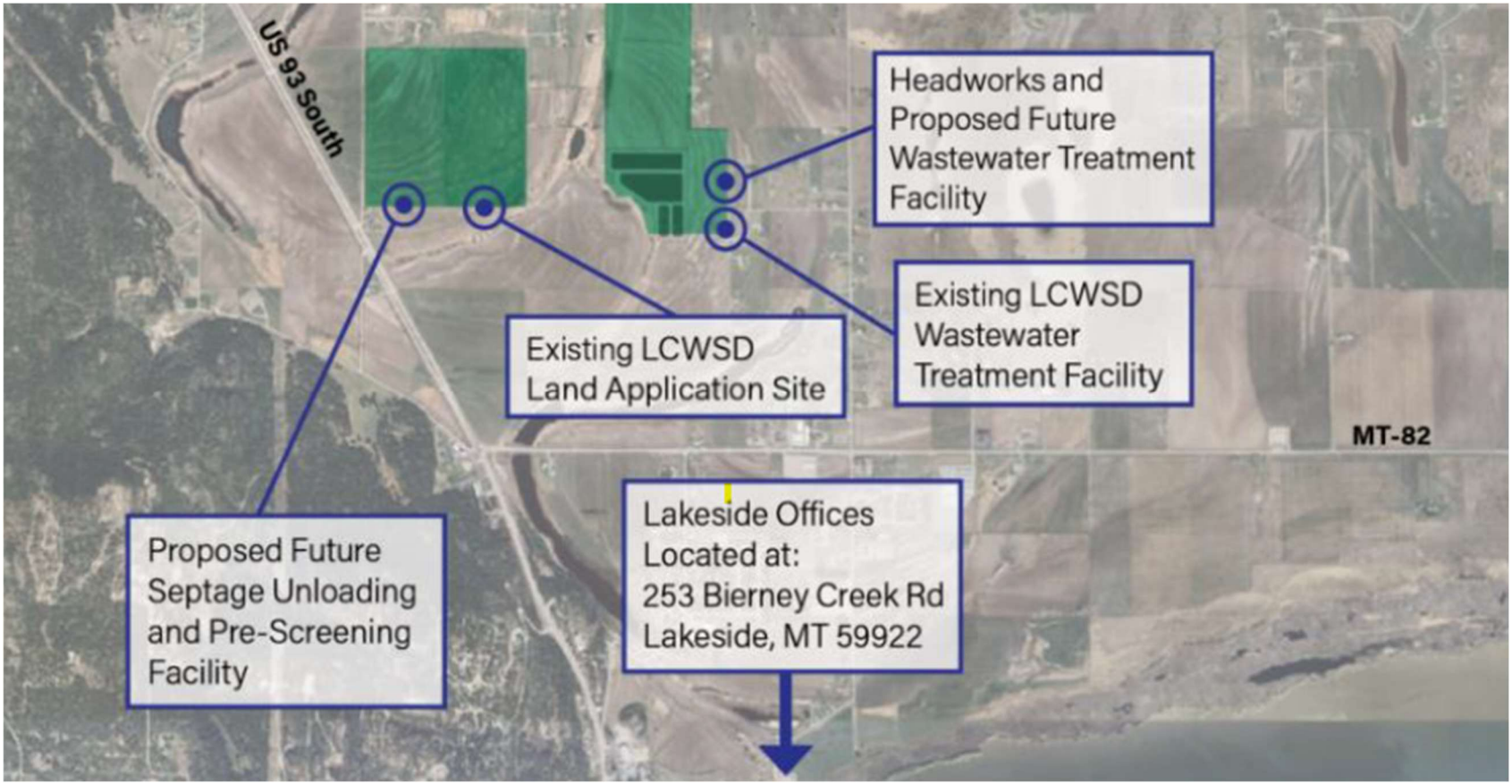


Figure 3. Phase 2 Wastewater Improvements Layout – RIB Locations

Figure 4. Phase 2 Wastewater Improvements Layout – Site Plan

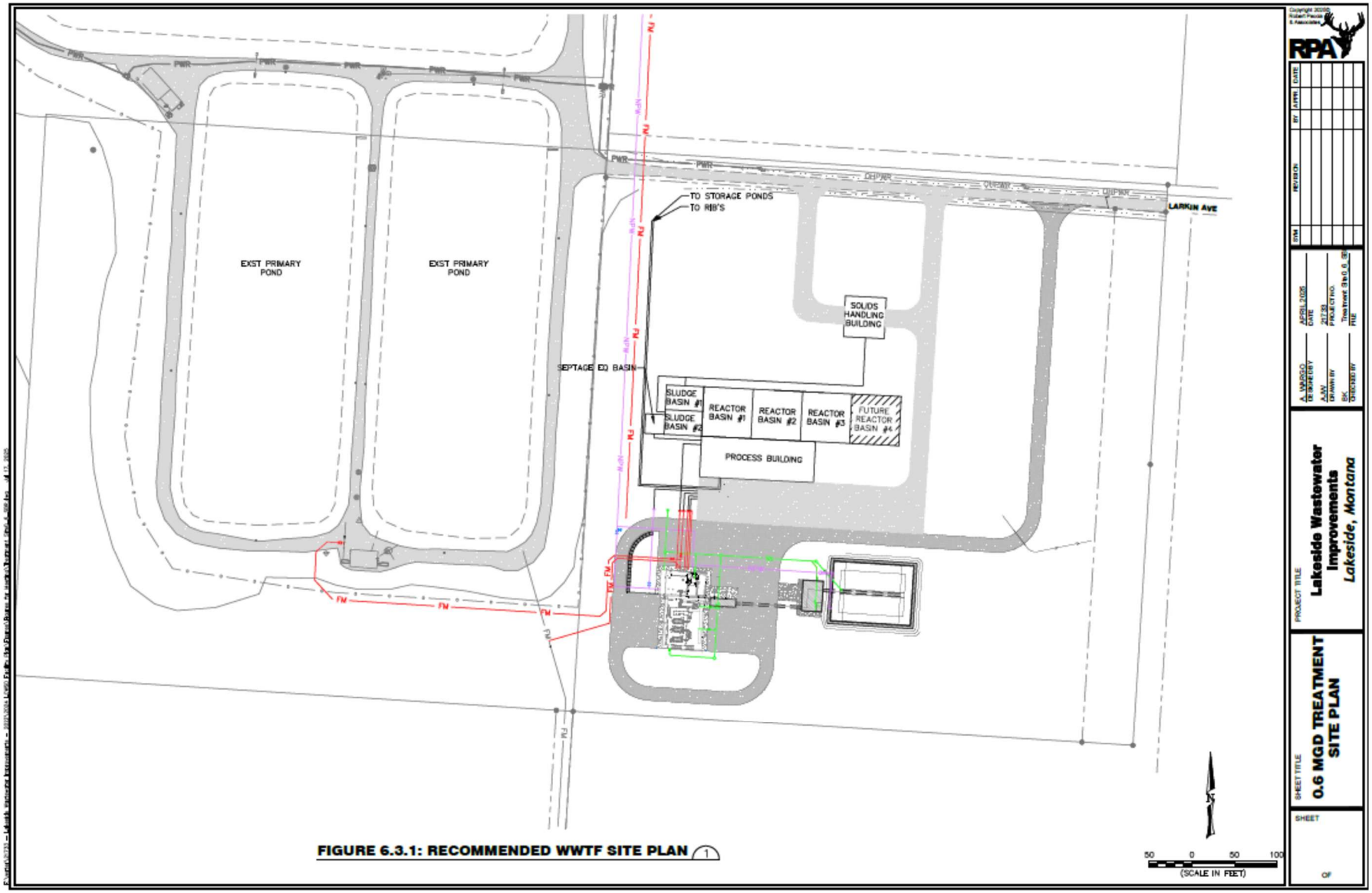


Figure 5. Image of a generic SBR as photographed from above.

Source: Aqua Aerobics https://aqua-aerobic.com/aquasbr-true-batch-sequencing-batch-reactor-technology/

Figure 6. Image of a generic SBR as photographed from eye-level.

Source: Aqua Aerobics https://aqua-aerobic.com/aquanereda-design-applications-and-overview/

Figure 7. Google Earth image of a generic SBR, located in Whitefish, MT.

Other Governmental Agencies and Programs with Jurisdiction

The proposed action would be located on county land. All applicable local, state, and federal rules must be adhered to, which may also include other local, state, federal, or tribal agency jurisdiction. Other governmental agencies which may have overlapped, or additional jurisdiction include but may not be limited to:

Other Jurisdictions: Additional required permits or approvals may include but are not limited to Montana Pollutant Discharge Elimination System (MPDES) permits, and other authorizations issued by Montana DEQ's Water Protection Bureau:

- General Permit for Discharges Associated with Construction Activity Permit, commonly referred to as a storm water construction (SWC) permit for over one acre of disturbance.
- Construction Dewatering General Permit (CDGP) for construction dewatering that discharge to streams, creeks, or other applicable water bodies.
- Disinfected Water & Hydrostatic Testing Permit for discharge to state waters after treatment resulting from hydrostatic testing or disinfecting with water containing chlorine.

Local Government Jurisdictions:

- Local Health Boards (50-2-116, MCA) – may administer local onsite wastewater and public health regulations and inspect system installation and operation.
- Local Subdivision and Platting Act (76-3-101, et seq., MCA) – governs subdivision review and approval, including lot layout and overall subdivision design.
- Local Zoning Ordinances (76-2-101, et seq., MCA) – regulates allowable land uses and densities that may affect where SWTS can be located.
- Local Health Regulations – may impose additional siting, design, or operation requirements for SWTS beyond state minimum standards.

EVALUATION OF AFFECTED ENVIRONMENT AND IMPACT BY RESOURCE

The impact analysis will identify and evaluate the proximate direct and secondary impacts to Montana's Environment. *Direct impacts* occur at the same time and place as the action that causes the impact. *Secondary impacts* are a further impact to Montana's environment that may be stimulated, induced by, or otherwise result from a direct impact of the action (ARM 17.4.603(18)). Where impacts would occur, the impacts will be described in this analysis. When the analysis discloses environmental impacts, these are proximate impacts pursuant to 75-1-201(1)(b)(iv)(A), MCA.

Cumulative impacts are the collective impacts on Montana's environment from the Proposed Action when considered in conjunction with other past and present actions related to the Proposed Action by location or generic type. Related future actions must also be considered when these actions are under concurrent consideration by any state agency through pre-impact statement studies, separate impact statement evaluation, or permit processing procedures. The projects identified in Table 1 were analyzed as part of the cumulative impacts assessment for each resource.

To support a clear significance determination under MEPA, DEQ describes anticipated impacts in terms of both duration and intensity.

The duration is quantified as follows:

- **Construction Impacts (short-term):** These are impacts to the environment during the construction period. When analyzing duration, please include a specific range of time.

- **Operation Impacts (long-term)**: These are impacts to the environment during the operational period. When analyzing duration, please include a specific range of time.

The intensity of the impacts is measured using the following:

- **No impact**: There would be no change from current conditions.

- **Negligible**: An adverse or beneficial effect would occur but would be at the lowest levels of detection.

- **Minor**: The effect would be noticeable but would be relatively small and would not affect the function or integrity of the resource.

- **Moderate**: The effect would be easily identifiable and would change the function or integrity of the resource.

- **Major**: The effect would alter the resource.

Geology and Soil Quality, Stability and Moisture

The Flathead Valley is located at the southern end of the Rocky Mountain Trench, which extends over 1,000 miles north into the Yukon Territory. The trench formed from extensional tectonics that created a series of closely spaced normal faults along this length, causing a near-continuous valley structure. The Flathead valley is bounded by the normal Swan-Whitefish fault located at the base of the Swan Mountains

to the east and the Salish mountains to the west (Harrison et al., 1992). In the Flathead Valley, the basement is made up of the Belt Supergroup, a huge sequence of metasedamentary rocks 1.4-1.5 billion years in age. The valley fill overlying the basement is thought to be more than 3,000 feet thick in places, comprised of poorly lithified sedimentary rocks ranging from Tertiary to Quaternary in age, and alluvial, fluvial, and glacial in origin (LaFave et al., 2004).

The facility is located between a large meander in Flathead River and Flathead Lake. In this area, the landscape is marked by ancestral oxbows and flowpaths created by the Flathead River. The landscape and geology show the Flathead River used to flow into the lake near Somers, Montana before migrating eastward as a result of fault movement dropping the eastern side of the basin lower. These processes left behind aggrading fluvial and deltaic deposits (Noble & Sanford, 1986).

The application states that at the facility site, five soil borings were drilled and completed as monitoring wells between September 6 and September 8, 2022 (monitoring wells MW-1 through MW-5). The results showed poorly graded silty sand between five and 33 to 39 feet below ground surface, which is typical of the deltaic deposits left from the Flathead River flowing into Flathead Lake.

The project area receives approximately 12 to 18 inches of precipitation per year and is located roughly 2,900 feet above mean sea level. At the construction location for Phase 2, onsite soils mapped by the Natural Resources Conservation Service consist predominately of Demers-Kalispell silt loams, 0 to 3 percent slopes.

A geotechnical investigation conducted in 2022 by Alpine Geotechnical identified liquefaction potential in the soils underlying the project site and recommended ground stabilization measures for all permanent structures. In response to those recommendations, vibratory densification of underlying soils will be performed beneath the footprint of all permanent structures, including SBR tanks, constructed under Phase 2, reducing the potential for soil liquefaction during a seismic event. Phase 2 structures will be designed in accordance with applicable building codes and the site-specific geotechnical recommendations from Alpine Geotechnical.

The District proposes to continue use of their existing storage lagoons. The existing storage lagoons were constructed in 1986 and 1994, in accordance with the design standards applicable at those times and are synthetically lined to prevent leakage. Phase 2 does not propose modifications to the existing storage lagoons. A site visit by DEQ employees in November 2025 showed that the lagoons are well maintained and appear to be in good working order. No signs of settlement or excessive moisture outside of the lagoon embankments were evident during the site inspection that would indicate excess leakage resulting from historic seismic activity or improper maintenance.

In October 2025, the District measured the depth of accumulated solids on the floor of the two storage lagoons. Per the District's measurements, the average solids depth was found to be approximately 7 inches. The design solids storage depth in the storage lagoons is 12 inches. The rate of solids accumulation in the storage lagoons is anticipated to be lower with the higher quality effluent from the Phase 2 WWTF. The District's flow data and public comments raised questions about whether the existing storage lagoons may be experiencing leakage in excess of allowable limits. In response, DEQ and the District have entered into a memorandum of understanding (attached as Appendix A) under which the District will conduct a lagoon seepage test in accordance with Circular DEQ-2, Section 93.422. If that testing demonstrates leakage rates above allowable limits, the District has agreed to implement corrective measures, which may include repair or replacement of the lagoon liners.

Housekeeping practices, including wattles, silt fences, and other BMPs required by DEQ's general SWC permit for disturbances over one acre, would be implemented to control erosion and sediment transport

from stockpiles, disturbed slopes, and access routes. These measures minimize off-site loss of topsoil and prevent sediment from being deposited in nearby drainages or low-lying areas. The contractor would be required to submit a SWPPP to obtain coverage under the SWC.

Direct Impacts

Construction: Construction would cause short-term, minor direct impacts to the topography and geology in areas where trenches and tank excavations are dug, backfilled, and compacted, and where the upper soil layer is removed and replaced with well-graded pervious gravel to support the RIBs.

Operation: No direct impacts to geology and soil quality, stability, or moisture would be anticipated from operation. After the initial construction is complete and the disturbed areas are regraded and revegetated, no additional ground disturbance to geology or soils would be anticipated during normal operation of the facility.

Secondary Impacts

Construction: Minor secondary impacts may be expected to soil stability from compaction of soils around the WWTF (e.g., along access routes and staging areas) due to trucks and construction equipment. If not managed, this compaction could reduce infiltration and increase runoff potential in those compacted zones. These secondary impacts are expected to be minor and short term, because construction specifications call for limiting heavy-equipment traffic over the absorption area and for regrading and revegetating disturbed areas once work is complete.

Operation: No secondary impacts to geology and soil quality, stability, or moisture would be anticipated from operation. Routine use and maintenance of the WWTF would not involve other activities that would cause additional ground disturbance.

Cumulative Impacts

Construction: The proposed action would occur where Phase 1 WWTF construction has already disrupted native geologic materials and soils and altered slope and drainage conditions. The additional disturbance is expected to make only a minor, temporary contribution to these existing cumulative effects on soil stability and geologic conditions and would not measurably change long-term geologic or soil stability characteristics in the project vicinity.

Operation: DEQ considered the existing structural condition and operation of the District's storage lagoons as part of its overall review of the proposed action. Continued use of the existing storage lagoons is not proposed to change under Phase 2. Because Phase 2 does not modify the physical configuration or capacity of the storage lagoons, their continued operation in combination with the Phase 2 WWTF and RIB system is not expected to result in additional cumulative impacts beyond those described elsewhere in this EA, and detailed structural evaluations or modification decisions for the lagoons are outside the scope of this EA and DEQ's Phase 2 approval.

The District has submitted a separate application for funding to design and construct a tertiary treatment system that would follow the Phase 2 upgrade. DEQ has not yet received complete plans and specifications for that system, and the full scope of the tertiary project has not been defined. Based on the application information currently available, the tertiary treatment system proposed by the District, if approved, would involve construction of additional process units within the existing LCWSD facility footprint, likely near the constructed SBRs, resulting in

incremental ground disturbance beyond that associated with Phase 2. Because DEQ has not yet received a complete application for that project, the specific extent and location of any additional disturbance cannot be fully characterized at this time. Cumulatively, the combined ground disturbance from Phase 1 infrastructure, Phase 2 construction, and a future tertiary treatment system would remain confined to the existing developed facility site and its immediate surroundings. A full evaluation of geography and soils impacts associated with the tertiary treatment project would be conducted under a separate MEPA review once a complete application is received, if required under applicable law.

Water Quality, Quantity, And Distribution

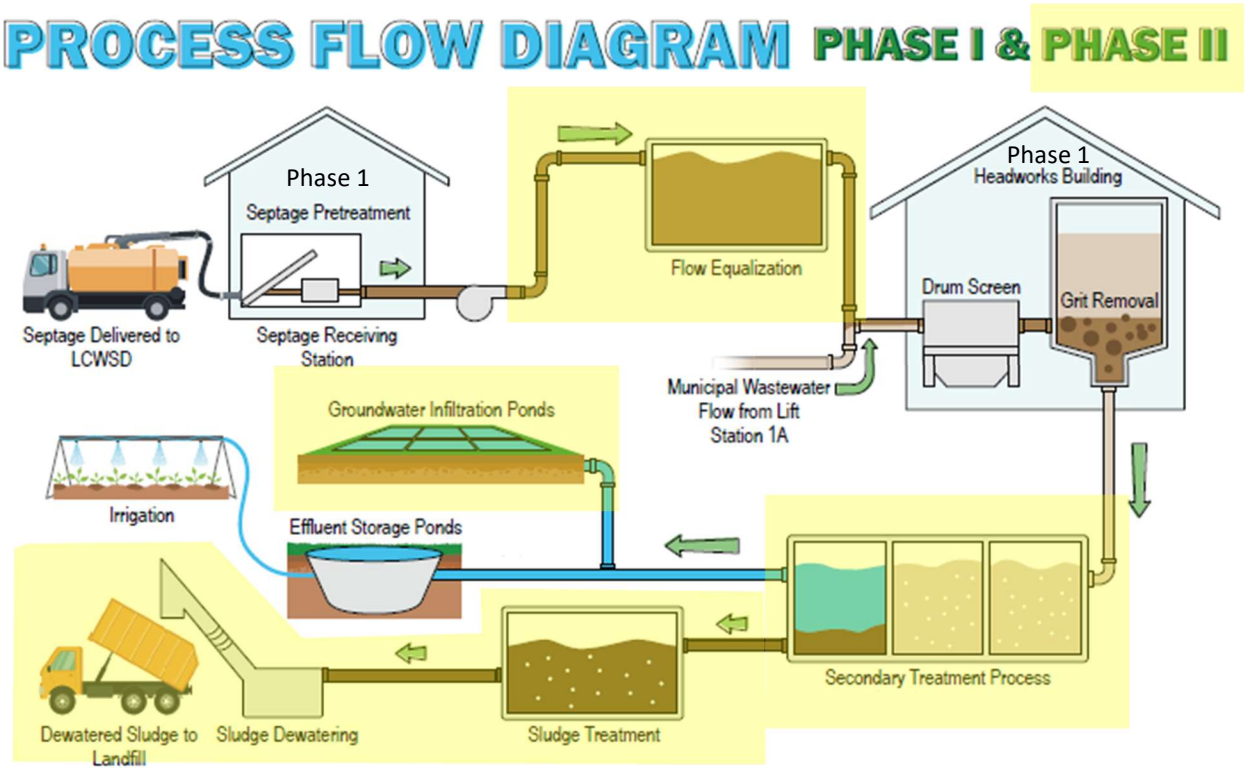
The existing LCWSD WWTF consists of an aerated lagoon system with spray irrigation (land application) for effluent disposal. A discharge permit is not required by the DEQ for the disposal of wastewater through spray irrigation, since the system is designed for complete crop uptake of nutrients with no impact to groundwater and no impacts to surface water through runoff. The operation and maintenance manual for the LCWSD facility includes requirements for periodic monitoring well sampling, located at the spray irrigation site and the existing lagoon cells. With the proposed WWTF's capability to produce higher quality effluent, the District would prepare a nutrient management plan that would include an updated operation and maintenance plan for the land application site.

The WWTF improvements included with this project would allow the District to treat wastewater and county-generated septage to a much higher level than the existing aerated lagoon system, and meet the requirements of the Phase 1 discharge permit. The proposed WWTF is expected to reduce nutrient loading to groundwater and surface water resources in the county.

Phase 2 would include construction of RIBs for disposal of treated wastewater. In April 2025, the District obtained a groundwater discharge permit (MTX000307) for discharge to the proposed RIBs. The current permit established effluent quality limits to minimize impacts to groundwater and surface water resources. Impacts from the groundwater discharge permit were analyzed in the previous 2025 final EA for Phase 1 and are incorporated herein by reference. The treatment system and RIBs design would be required to meet the design standards in Circular DEQ-2 and limits established in the discharge permit.

Figure 8 below presents the wastewater treatment system process flow following the Phase 2 project. The basic components included with the Phase 2 project are highlighted in yellow. As discussed previously in this EA, the Phase 1 project included the septage receiving and headworks facilities. The effluent storage ponds and irrigation system are existing facilities operated by the District.

Figure 8. Process Flow Diagram – Phase 2 Improvements are highlighted in yellow



The applicant stated in the PER that temporary basin dewatering may be required for construction. Depending on the depth of each structure relative to existing ground levels, dewatering may allow the installation of lower sections of the proposed infrastructure. Dewatering would last for the duration of construction, if needed. The contractor would be required to submit an application for coverage under the Montana DEQ Construction Dewatering General Permit if discharge from dewatering practices during construction reaches surface water.

The proposed WWTF and IP cells are outside of the 100-year floodplain. No impacts to floodplains or floodways are anticipated with this project. Comments from the Montana Department of Natural Resources addressing this issue are located at the end of this EA.

Based on a search of the National Wetlands Inventory, there are wetlands in the area of proposed construction. However, construction activities and permanent structures are proposed to be located outside of identified wetlands. Coverage under the Montana SWC general permit would require the contractor to submit a SWPPP that identifies required BMP installation and maintenance requirements to protect any wetland areas adjacent to construction activities. Comments from the United States Army Corps of Engineers (USACE) are located at the end of this EA.

The closest wild and scenic river, as designated by Congress or the Secretary of the Interior, to the project is the North Fork of the Flathead River from the Canadian border to its confluence with the Middle Fork, the Middle Fork from its headwaters to its confluence with the South Fork, and the South Fork of the Flathead River from its origin to the Hungry Horse Reservoir. All designated wild and scenic rivers are at least 20 miles upstream of the proposed project and would therefore not be impacted by construction activities or future operation of the system.

In April 2025 the District obtained a groundwater discharge permit (MTX000307) for discharge to proposed RIBs. The permit established monthly average total nitrogen and annual average total phosphorus effluent limitations as load-based, outfall-specific limits expressed in pounds per day and pounds per year. To meet the discharge permit limits, the effluent quality from the treatment system to the RIBs would be designed to not exceed 8.0 mg/L total nitrogen and 1.2 mg/L total phosphorus at 200,000 gpd. For the hydrogeologic, nondegradation, and surface water connectivity analysis supporting DEQ's water quality conclusions in this EA, see Montana DEQ's Final Environmental Assessment for Lakeside County Water & Sewer District's Lift Station, Septic Receiving Headworks, Connecting Force Main, and Rapid Infiltration System (April 2025, Phase 1).

As presented in Table 5, the proposed Phase 2 wastewater treatment improvements would be sized for a maximum month flow rate of 716,036 gpd. However, with the discharge capacity of 200,000 gpd to the RIBs and the storage capacity of the existing storage lagoons of 342,950 gpd, the capacity of the District's facility following the Phase 2 project would be limited to approximately 543,000 gpd. Any potential future phases to increase the system capacity to the approximately 900,000 gpd growth projections (20-year) presented in the PER would require separate permitting actions and MEPA review before any additional facility construction or discharge could be authorized.

The proposed WWTF would be designed to handle the expected wastewater flows, organic loading, and required peaking factors per Circular DEQ-2 to meet the required discharge water quality.

Direct Impacts

Construction: Stripping vegetation and excavation for construction and installation of wastewater treatment systems would create bare or stockpiled soils that can be mobilized by stormwater runoff. Disturbances that exceed one acre must obtain authorization under DEQ's construction stormwater general permit, which includes enforceable conditions to prevent off-site transport of sediment to surface waters. Smaller disturbances that are less than one acre are still expected to implement BMPs and must comply with state and local setback requirements (e.g., ARM 17.36.323 and 17.36.918), which effectively prevent stormwater impacts to surface waters at that scale. Following construction, disturbed areas would be recovered with stockpiled soil and revegetated, reducing the potential for ongoing sediment delivery.

Operation: Potential direct impacts to water quality from the operation of the RIBs, which would involve groundwater discharge, was previously analyzed in the April 2025, final EA, and that final EA is incorporated herein by reference.

Secondary Impacts

Construction: No additional secondary impacts beyond those described under direct impacts are anticipated. Erosion and sediment controls and revegetation are intended to prevent off-site transport of sediment to surface waters.

Operation: Potential secondary impacts to water quality from the operation of the RIBs, which would involve groundwater discharge, was previously analyzed in the April 2025, final EA, and that final EA is incorporated herein by reference.

Cumulative Impacts

The April, 2025 Phase 1 groundwater discharge permit (MGWPCS Permit MTX000307) and

associated Final EA establish the regulatory and environmental framework for the authorized discharge to the RIBs. That Phase 1 analysis evaluated cumulative water-quality impacts of the combined wastewater improvement program, including the lift station, headworks, septage-receiving facility, and groundwater discharge, against applicable nondegradation standards for groundwater and connected surface waters. That analysis is incorporated by reference and is not repeated here.

The Phase 2 treatment upgrade does not change the authorized discharge volume, discharge location, or permit limits established in Phase 1. Phase 2 is limited to constructing and operating advanced treatment infrastructure at the existing LCWSD facility in order to meet those previously established permit conditions. Because Phase 2 does not expand the discharge authorization or alter the receiving environment, DEQ does not expect additional cumulative water-quality impacts beyond those already evaluated in the Phase 1 EA.

Cumulatively, construction-phase disturbances associated with Phase 2 are similar in scale and duration to other small infrastructure projects in the area: they are temporary, localized to the existing facility, and subject to stormwater permitting, erosion-control measures, and setback requirements. When standard BMPs are applied, the collective effect of such construction activities on water quality and other resources is expected to be minor.

The Phase 2 SBR treatment system is a biological nutrient removal process. Like all conventional biological treatment technologies, SBR treatment is not designed to remove PFAS (per- and polyfluoroalkyl substances) or certain pharmaceutical compounds, which may be present in septage and domestic wastewater. To address this, the District has submitted a concurrent application for WPCSRF funding to design and construct a tertiary treatment system, consisting of membrane filtration followed by granular activated carbon (GAC), specifically intended to reduce PFAS and pharmaceutical concentrations in SBR effluent prior to discharge to the RIBs. That application is currently under review by DEQ; a complete application, plans, and specifications have not yet been received. That project would be subject to its own environmental review, if required under applicable law, once plans and specifications are sufficiently developed. The PFAS-related considerations associated with the groundwater discharge permit were addressed in the Phase 1 EA and the Phase 1 Responses to Comments, incorporated here by reference.

Air Quality

The closest Class I airshed to the proposed project site is over 15 miles to the south (Flathead Reservation). This project would not be expected to impact this airshed due to the distance between the proposed site and Flathead Reservation and due to the relatively low level of air emissions anticipated from proposed activities at the site.

Proper construction practices and dust control BMPs would minimize short-term negative impacts on air quality that would be expected during construction from heavy equipment in the form of dust and exhaust fumes. The applicant proposes to mitigate dust through the application of dust abatement measures on haul roads. In addition, water would be applied to disturbed areas to control airborne dust.

Properly operated mechanical WWTFs typically generate fewer offensive odors than lagoon systems due to the lower retention time and high degree of aeration. In comparison to the existing lagoon system, the proposed action should result in a long-term reduction of air quality impacts (odors) in the area.

Components of the WWTF where the likelihood of odor generation is higher would be located in buildings with all discharged air passing through a soil media bed, constructed under Phase 1, for odor control.

Direct Impacts

Construction: During construction, activities such as stripping topsoil, leveling the site, and excavation may generate short-term emissions of exhaust from diesel-powered equipment and fugitive dust from disturbed soils and travel on unpaved access roads. These impacts would be localized around the construction site and limited to the construction duration.

Operation: Negligible direct air-quality impacts are anticipated from operation. The WWTF would not generate any particulates during normal operation. A properly operated WWTF may still generate a minor odor from the biological processes used to treat the wastewater. A flow equalization basin, proposed to ensure uniform dosing of septage into the treatment process has potential to generate odors. To mitigate odors generated from the septage flow equalization basin, the applicant is proposing to install mixers and diffused aeration to reduce hydrogen sulfide generation. Additionally, the basin would also be designed with a positive ventilation cover. Exhausted air from the basin would be directed to a soil media bed, constructed as part of Phase 1, to reduce potential odors. In general, mechanical wastewater treatment facilities generate less odor than partially aerated lagoon systems, like the District currently operates.

It is anticipated that the replacement of the existing aerated lagoon cells with a mechanical WWTF would result in a reduction of odors.

Secondary Impacts

Construction: Dust may be produced during mobilization and demobilization along existing gravel or dirt roads to and from the project area. These secondary impacts would be minor and short-term and are expected to be mitigated through BMPs such as speed management, limiting unnecessary travel, and water application when conditions are dry and dusty.

Operation: No secondary air-quality impacts are anticipated from operation because routine use and maintenance of the WWTF would not involve other air-emitting activities that would generate airborne pollutants or particulates.

Cumulative Impacts

Construction: The production of dust and equipment exhaust from construction could add incrementally to emissions from nearby roadway travel and other local activities. Because each project disturbs a relatively small area for a short duration (as described in Table 1), and because BMPs are used to control dust, the cumulative contribution of these projects to regional air-quality conditions is expected to be minor and would not measurably affect compliance with state or federal air-quality standards.

Operation: No cumulative air-quality impacts are anticipated from operation because the installed systems do not emit air pollutants, and any intermittent maintenance-related vehicle trips would be negligible relative to existing background traffic.

Vegetation Cover, Quantity, and Quality

The Montana Natural Heritage Program (MTNHP) states that there is one vascular plant species of concern, Columbia water-meal, within an 800-meter radius of the proposed site for Phase 2 construction.

In addition to rare plant considerations, noxious weed prevention and control on disturbed sites are guided by Montana's noxious weed laws, including the Montana County Noxious Weed Control Act, which requires county weed districts and landowners to manage listed noxious weeds and prevent their spread. The applicant would also be required to follow any weed control requirements set forth by the Flathead County Weed Board.

Direct Impacts

Construction: Existing vegetation within the footprint of Phase 2 would be removed to allow for excavation and construction. These impacts would be contained to the construction site. The direct impact of the proposed action on vegetative communities would be expected to be long-term and minor, because disturbed areas would be regraded and revegetated following construction.

Operation: During operation, the majority of WWTF components would remain fixed and routine maintenance activities would not require additional vegetative clearing. No long-term direct impacts to rare vegetation, cover types, or the general vegetative community are anticipated during normal operation beyond the permanent conversion of the small area occupied by system components and access paths established during construction.

Secondary Impacts

Construction: The buried components of the WWTF would be covered with vegetation, likely shallow-rooted grasses. Stripping vegetation and ground disturbance would create bare soil that could be colonized by noxious weeds or other invasive species, particularly along access routes, staging areas, and around the RIB footprints. Without management, this could lead to localized, long-term changes in species composition and continued weed pressure in the disturbed areas. To minimize these secondary impacts, the applicant would be expected to implement weed-management and reclamation practices consistent with local weed district requirements, including timely reseeding with appropriate species and monitoring and treating noxious weeds after construction.

Operation: Once vegetation is re-established over the disturbed areas, no additional secondary impacts to vegetation cover, quantity, or quality are anticipated from routine operation of the WWTF. Any ongoing noxious weed management would be conducted in coordination with local weed control requirements implementing state noxious weed laws.

Cumulative Impacts

Construction: Propagation of noxious weeds could add to other noxious weed issues in the surrounding area. The proposed action and subsequent reclamation could cause a change in species composition in the vicinity. This impact could be long-term to permanent.

Operation: No cumulative impacts to vegetation cover, quantity, and quality are anticipated from operation. No additional long-term change in species composition beyond the reclaimed condition is expected.

Terrestrial, Avian, and Aquatic Life and Habitats

The proposed project is not in core, general or connectivity sage grouse habitat, as designated by the Sage Grouse Habitat Conservation Program (Program). Impacts to sage grouse would not be expected.

The Montana Natural Heritage Program (MNHP) lists the following species of concern in the vicinity of the site: Fisher, Grizzly bear, Silver-haired bat, Bobolink, Brewer's sparrow, Cassin's finch, Great blue heron, Pileated woodpecker, Trumpeter swan, Veery, and Oblique ambersnail.

The Montana Department of Fish, Wildlife, and Parks and U.S. Fish and Wildlife Services have been notified of this project and asked to reply with any concerns. Agency comments are summarized at the end of this EA.

Direct Impacts

The Sage Grouse Habitat Conservation Program has stated that the proposed project would not occur in core, general or connectivity sage grouse habitat. Therefore, no impacts to sage grouse would occur. As presented above, the Montana Fish Wildlife and Parks and the United States Fish and Wildlife Service were solicited for comments regarding the Phase 2 project by the District. No comments have been received from those agencies.

Construction: The impacts on terrestrial, avian, and aquatic life habitats from the proposed action would be negligible and short-term. Construction activities such as vegetation removal, excavation, and short-term equipment noise may temporarily disrupt or displace wildlife from the immediate area and reduce the quality of habitat within the disturbance footprint. Animals present during construction would be expected to temporarily avoid the project area and use adjacent, undisturbed habitats. No long-term adverse effects on wildlife summer or winter ranges are anticipated from construction because disturbance is localized to the project area and disturbed areas would be reclaimed and revegetated after construction. While there may be some disturbance, the scope of the project would allow terrestrial and avian wildlife to continue to travel through the disturbance area.

Operation: During normal operation, the proposed WWTF would not produce continuous noise, light, or traffic beyond existing development patterns that may impact wildlife. The septage receiving facility, constructed as part of the Phase 1 construction project, would be able to accept septage once the proposed mechanical treatment facility is operational. The facility is located approximately 1/10th of a mile north of US Highway 93 along Somers Stage Road. Using an average pumper truck volume of 2,500 gallons, at full buildout, approximately 25 truckloads per day will access the facility. Use of the septage receiving facility would generate a negligible increase in traffic on US Highway 93 and Somers Stage Road that may impact wildlife. As a result, no additional long-term direct impacts to terrestrial, avian, or aquatic habitats are anticipated beyond the areas of permanent ground disturbance associated with system components and access routes established during construction.

Secondary Impacts

Construction: Secondary impacts could include short-term changes in wildlife movement patterns near the project site due to increased human presence, equipment activity, and noise. These effects are expected to be minor and reversible because construction durations are brief (as described in Table 1) and the project would occur in an area already influenced by human activity.

Operation: No secondary impacts to terrestrial, avian, or aquatic life habitats would be anticipated from operation of a WWTF. Routine inspection and maintenance would involve infrequent site visits and would not materially alter habitat structure, noise levels, or disturbance

patterns relative to existing conditions.

Cumulative Impacts

Construction: No cumulative impacts to terrestrial, avian, or aquatic life habitats would be anticipated from the proposed action. This project would disturb a small area for a short duration and would be subject to reclamation and vegetation recovery, which limits the potential for cumulative habitat loss or fragmentation.

Operation: Impacts to terrestrial, avian, or aquatic life habitats related to the discharge permit were previously considered in the April 2025 Final EA. No cumulative impacts to terrestrial, avian, or aquatic life habitats would be anticipated from operation of a WWTF.

History, Culture, and Archaeological Uniqueness

In a letter to the applicant, the State Historic Preservation Office (SHPO) stated that there are a few previously recorded historic sites located near the proposed project area. In addition to the sites, SHPO states there have been a few previously conducted cultural resource inventories done in the areas surrounding the proposed action location.

As long as there is no disturbance or alteration to structures over fifty years of age, SHPO feels that there would be no cultural or historic properties affected by this undertaking. SHPO, therefore, feels that a recommendation for a cultural resource inventory is unwarranted at this time. However, should structures need to be altered or if cultural materials are inadvertently discovered during this project, SHPO asks that their office be contacted, and the site investigated. No historic structures would be disturbed or altered as part of the project. Construction documents would require consultation with a cultural resources specialist and SHPO if cultural materials are discovered during construction.

The proposed action is occurring on county land and would be the property of the Applicant.

Direct Impacts

Construction: Unidentified cultural or historic resources could be disturbed by Phase 2 construction and installation activities. If any structures are within the disturbance area, and are over fifty years old, SHPO recommends that they be recorded, and a determination of their eligibility be made prior to any disturbance taking place.

Operation: No direct impacts to historic, cultural, or archaeological resources are anticipated during operation. No additional ground disturbance is expected during normal operation.

Secondary Impacts

Construction: Where no cultural resources are present within the disturbance footprint, no secondary impacts to historic or cultural resources are anticipated. Construction-related ground disturbance, noise and traffic would be temporary and would not alter the character or setting of historic properties beyond the brief construction period.

Operation: No secondary impacts to history, culture, and archeological uniqueness are anticipated from operation.

Cumulative Impacts

Construction: No cumulative impacts on historical and archaeological resources would be

expected from the proposed action.

Operation: No cumulative impacts to history, culture, and archeological uniqueness are anticipated from operation.

Demands on Environmental Resources of Land, Water, Air, or Energy

The proposed mechanical treatment facility is estimated to use more power than the existing aerated lagoon system. The increased energy consumption is unavoidable when a higher degree of wastewater treatment is employed. Energy consumption would be minimized as much as possible by using energy efficient equipment (pumps, blowers, equipment, heat and ventilation, lighting, etc).

The consumption of energy resources directly associated with construction of the proposed action components is unavoidable but would be short-term.

Direct Impacts

Construction: Construction of the WWTF would use fuel for equipment and temporarily occupy portions of land within the disturbance footprint. These short-term uses are typical of construction projects of this scope and are not expected to create unusual or significant demands on land, water, air, or energy beyond those already discussed for soils, water quality, air quality, and vegetation.

Operation: During operation, the WWTF would require electricity for aeration equipment, mixers, pumps, controls, and other ancillary equipment. The expected annual energy requirements to operate the facility were estimated in the PER to be approximately 1,336,000 kWh. This value is typical for mechanical WWTFs of this size. Energy consumption would be minimized as much as possible through the use of high efficiency blowers and motors, fine bubble diffusers, and variable frequency drives. The system would not require continuous withdrawals of new water supplies, would not emit air pollutants, and would occupy a small, fixed area of land. Therefore, operation is not expected to create unusual or significant demands on land, water, air, or energy.

Secondary Impacts

Construction: No secondary impacts to demands on environmental resources of land, water, air, or energy would be expected.

Operation: No secondary impacts to demands on environmental resources of land, water, air, or energy would be expected during operation because the constructed facility would not induce additional resource-intensive activities beyond normal residential or small commercial use.

Cumulative Impacts

Construction: No cumulative impacts to demands on environmental resources of land, water, air, or energy would be expected. The project would use modest amounts of fuel and land for a short duration. This project is not expected to measurably alter regional availability or use of land, water, air, or energy resources.

Operation: Negligible cumulative impacts to demands on environmental resources of land, water, air, or energy would be expected from normal operation because WWTF energy and land demands are similar to other small-scale development already occurring across Montana and do not require new large-scale infrastructure or resource extraction.

Human Health and Safety

The applicant would be required to adhere to all applicable state and federal safety laws. The Occupational Safety and Health Administration (OSHA) has developed rules and guidelines to reduce the risks associated with this type of labor. Few, if any, members of the public would be in immediate proximity to the project during construction or operations.

Circular DEQ-2 imposes requirements on appropriate site selection, system design, and installation that collectively ensure proper function from the proposed WWTF.

Direct Impacts

Construction: Direct impacts to human health and safety of the proposed action are mitigated by OSHA rules and guidelines. No direct risks to human health and safety are expected from the proposed action. Contractors are required to follow applicable state and federal safety laws, including use of temporary fencing and barricades to protect the public from entering the construction area, and trench boxes if excavating deeply to prevent injury to workers. Few, if any, members of the public are expected to be in immediate proximity to the project during construction, so direct risks to the public are minimal.

Operation: Direct impacts to human health and safety of the proposed action are mitigated by OSHA rules and guidelines and DEQ design standards. Circular DEQ-2 includes safety standards that would need to be met by the proposed design, including protective measures such as signage handrails, safety grates, proper chemical storage and handling, electrical and ventilation requirements, adequate lighting, protective equipment, eye wash station, and lock-out motor controls. Additionally, DEQ-2 requires submittal of a full operation and maintenance manual following construction that includes safety measures, MSDS sheets, and emergency contact information.

Secondary Impacts

Construction: No secondary impacts to human health and safety would be anticipated from construction of the proposed action. Construction activities would be short-term and localized, and standard safety practices and regulations would apply.

Operation: No secondary impacts to human health or safety would be anticipated from operation of the proposed action. Routine operation of a compliant system is not expected to create additional health risks beyond existing background conditions.

Cumulative Impacts

Construction: No cumulative impacts to human health or safety would be anticipated from construction of the proposed action. Construction activities would be short-term and localized, and standard safety practices and regulations would apply.

Operation: No cumulative impacts to human health or safety would be anticipated from operation of the proposed action. Routine operation of a compliant system is not expected to create additional health risks beyond existing background conditions.

DEQ has considered past episodes of strong odors from the existing ponds and spray-irrigation system and the possibility that odors or irrigation drift could raise health or nuisance concerns for

nearby residents. Nuisance odors from lagoon and land-application systems can occur, particularly during spring turnover or when wastewater is stored for extended periods before irrigation. The Phase 2 WWTF is expected to reduce the frequency and intensity of odors by providing higher-level treatment, enclosing major odor-generating components such as the headworks, and using odor-control systems where appropriate, which should improve air quality and reduce odor compared to the existing configuration.

Aesthetics

The District's existing wastewater treatment facility consists of two aerated treatment lagoons, two storage lagoons, a small headworks building and a blower building located adjacent to the lagoons. The Phase 1 upgrades included construction of a headworks building to the east of the aerated treatment lagoons and a blower building for the media bed odor control facilities. The area is generally surrounded by agricultural fields and several rural subdivisions. The topography is generally flat with views of the surrounding forested mountains.

The proposed Phase 2 improvements would be located adjacent to the existing lagoons and Phase 1 headworks building and consist of concrete treatment tanks, a solids-handling building, and a building to house blowers, process piping and controls. Please see figures 5-7 for generic SBR depictions that would be similar in appearance to the SBR at the Phase 2 location. Treatment tanks would be concrete construction and generally buried. The proposed solids handling and process building would be one to two story structures of similar construction and aesthetics to the Phase 1 buildings.

The construction period would be limited to normal daytime hours to avoid early morning or late evening construction disturbances. The back-up generator equipment for the WWTF would be housed within a building near the treatment site to protect the generator and would further control and muffle noise. The aeration blowers are the only other equipment that can generate excessive noise levels. The blowers would be housed in a building and muffled to ensure they are operated with reduced noise impact.

Direct Impacts

Construction: The proposed project could be visible to or heard by the populated surrounding area and to receptors located at observation points that are unobstructed by topography or forested vegetation, including from nearby roads, houses or businesses. Aesthetic impacts from construction activities would include views of heavy equipment, soil stripping and stockpiling, and other miscellaneous activities. Aesthetic impacts from construction activities would be minimal and short-term, except the instillation of the RIBs would cause a long-term or permanent change to the viewshed.

Noise would only be generated during excavation and installation. Noise associated with the project may be heard by receptors located in an area where sound related to the project has not been fully diminished by distance or another sound-dampening feature. After construction, disturbed areas would be backfilled, regraded, and revegetated, and construction equipment and materials would be removed.

Operation: While impacts to aesthetics would reduce after construction is completed, the RIBs and facility buildings would be permanent features visible to the surrounding area. However, these elements are relatively small in scale and typically similar in appearance to the preexisting lagoon features and buildings within the wastewater treatment system, so no long-term, noticeable adverse impacts to the overall viewshed are anticipated.

Noise associated with operation of the Phase 2 will primarily come from aeration equipment and mixers. Blowers for the Phase 2 improvements will be located inside and will include sound-dampening enclosures to further reduce noise. The project improvements are anticipated to provide an overall reduction in noise compared to the

Secondary Impacts
Construction: No secondary impacts to aesthetics would be expected. Temporary construction-related changes in visual quality would subside once work and reclamation is complete.

Operation: No secondary impacts to aesthetics would be expected.

Cumulative Impacts
Construction: No cumulative impacts to aesthetics would be expected. The project affects a small area for a short duration, and this temporary disturbance is not expected to measurably change the visual character of landscapes at the community or regional scale.

Operation: The proposed action would add to the aesthetic impacts from the existing the lagoon system operated by LCWSD and other nearby agricultural, industrial, private property activities.

Industrial, Commercial, and Agricultural Activities and Production

Construction and installation of the WWTF would not be expected to measurably affect industrial, commercial, and agricultural activities and production. The proposed action is the approval, construction, and operation of the WWTF and associated RIBs on land already owned and controlled by LCWSD and currently managed for agricultural use. Land use designations on the surrounding properties would not change as a result of the proposed action.

Land use around the proposed WWTF and RIBs is primarily agricultural. The proposed improvements would occur on property currently owned by LCWSD that is currently used as irrigated pasture or cropland. According to the NRCS Soil Survey, this area is not classified as “prime farmland”.

Direct Impacts
Construction and Operation: Construction and operation of the WWTF and RIBs would convert approximately 6-8 acres of current agricultural ground to utility use. Because the affected acreage is not classified as prime farmland and represents a very small fraction of the agricultural land base in the immediate area, this loss would constitute a short- and long-term, negligible impact on agricultural production. The WWTF and RIBs would function as utility infrastructure and would not directly change cropping practices, grazing capacity, or the viability of industrial or commercial activities on adjacent properties. Negligible direct impacts to industrial, commercial, and agricultural activities and production are anticipated as a result of the proposed action.

Secondary Impacts
Construction and Operation: No secondary impacts to industrial, commercial, and agricultural activities and production are anticipated beyond those described above

Cumulative Impacts

Construction and Operation: No measurable cumulative impacts to industrial, commercial, and agricultural activities and production are anticipated as a result of the proposed action. Converting 6–8 acres of non-prime agricultural land to a WWTF and RIBs would not meaningfully change the overall extent, productivity, or economic viability of industrial, commercial, or agricultural sectors at the local or regional scale.

Quantity and Distribution of Employment

New jobs could be created for this proposed action, but it is unknown whether this proposed action would require the applicant to hire additional employees. Therefore, it is not anticipated that this proposed action would create, move, or eliminate jobs.

Direct Impacts

Construction: During construction it is estimated approximately 10 – 20 people for a short duration would be employed during the construction phase of the proposed action. Given the small workforce size and limited construction period, this job could be absorbed by existing local and regional labor markets without noticeably changing the overall quantity or distribution of employment. However, as stated above, it is unknown whether this proposed action would require the applicant to hire additional employees.

Operation: During operation, one or two full-time employees would be needed for operation, maintenance, and sampling or monitoring activities. This level of ongoing employment is small relative to existing employment in nearby communities and would not be expected to create, move, or eliminate jobs or otherwise affect the distribution of employment opportunities.

Secondary Impacts

Construction and Operation: No secondary impacts to quantity and distribution of employment are anticipated as a result of the proposed action.

Cumulative Impacts

Construction and Operation: No cumulative impacts to quantity and distribution of employment would be expected. Taken together across Montana, the minimal employment opportunities associated with WWTF and RIB construction and operation is expected to follow existing subdivision and development patterns rather than stimulate new economic centers and therefore would not noticeably redistribute jobs among communities.

Local and State Tax Base and Revenues

Local, state and federal governments would be responsible for appraising the property, setting tax rates, collecting taxes, etc., from the companies, employees, or landowners benefiting from activities related to the DEQ approval. It is unlikely that the tax base would change as a result of the proposed action.

Direct Impacts

Construction and Operation: The proposed action would authorize onsite wastewater treatment. The tax base could increase due to the improvements to the parcel. However, any resulting increase in local or state property tax collections would be negligible relative to overall tax rolls.

Secondary Impacts

Construction and Operation: No secondary impacts to local and state tax base and revenues would be anticipated as a result of the proposed action. Authorizing a WWTF and RIBs does not by itself induce new development, alter land values at a community scale, or change how tax rates are established or applied.

Cumulative Impacts

Construction and Operation: No cumulative impacts to local and state tax base and revenues would be expected. Even when considered collectively across Montana, the minor parcel-level value increases associated with WWTF and RIB improvements are not expected to measurably affect overall tax revenues. Incremental tax revenue associated with WWTF and RIB improvements would reflect underlying subdivision and land-use decisions and would not, by itself, drive new development patterns or shift the geographic distribution of the tax base.

Demand for Government Services

In Montana, multiple levels of government share responsibilities related to wastewater infrastructure. Local governments provide routine services to the project area (e.g., road maintenance, emergency response, zoning and permitting). Local health departments or boards of health may adopt onsite wastewater regulations that are equal to or more stringent than state minimum standards and typically issue local septic permits and conduct inspections, operating in parallel with DEQ's oversight under Circular DEQ-2. As a result, approvals and oversight for WWTFs and RIBs occur within an existing framework of overlapping state and local jurisdiction, with DEQ focusing on water quality and sanitation standards and local governments focusing on land use, local public health requirements, and service provision.

Direct Impacts

Construction and Operation: The limited duration and scale of the proposed action would not materially change demand for government services. The project would be reviewed and permitted within existing state and local frameworks, including DEQ's sanitation and water-quality review and any applicable local subdivision, zoning, building, and onsite wastewater permitting processes, without creating new types of service obligations for local governments. DEQ's review, approval, and compliance activities for WWTFs and RIBs are part of its existing statutory responsibilities under the Sanitation in Subdivisions Act, public water supply laws, and Water Quality Act, and this EA does not expand DEQ's jurisdiction or create new programs beyond those already in place. This approval would follow previous LCWSD approvals under Phase 1, and is necessary to meet existing demand and anticipated future-growth.

Construction would generate occasional increases in construction-related traffic. Any need for local road improvements to accommodate construction traffic would be addressed through existing local processes. DEQ does not regulate local roads or site access; any road-related impacts would be managed under applicable local ordinances and standards.

Secondary Impacts

Construction and Operation: No secondary impacts to government services would be anticipated from this proposed action. Authorizing a compliant WWTF and RIBs does not induce large-scale growth, alter emergency-response patterns, or create new service obligations beyond existing development trends. Improvements to the existing wastewater facilities would not meaningfully change utility workforce needs. Any incremental workload for local governments would occur within existing authorities and staffing structures already used to manage similar development

proposals.

Cumulative Impacts

Construction and Operation: No cumulative impacts to government services would be anticipated from this proposed action. The proposed action is not expected to necessitate long-term expansions of government services. State and local agencies already plan for and manage demands on infrastructure, emergency response, and public health services through comprehensive planning, capital-improvement programming, and routine budgeting. Over time, changes in demand for government services are expected to mirror broader patterns of subdivision and land-use decisions, with the WWTF and RIB authorization functioning as a component of already anticipated development rather than a separate catalyst for expanded services.

Locally Adopted Environmental Plans and Goals

The LCWSD serves the Lakeside CDP along the northwestern shores of Flathead Lake. In 1994, the community of Somers entered into an interlocal agreement with the LCWSD, whereby the District would collect, treat, and dispose of wastewater from the community.

The proposed action would occur on land owned by the applicant, in this case the Lakeside Water and Sewer District. The project area would be subject to any plans or rules set forth by Flathead County Weed Control District and the 2017 Montana Noxious Weed Management Plan.

Federal Superfund site, Burlington Northern-Santa Fe Railway Company (BNSF) Somers Former Tie Treating Plant, is located roughly 1.5 miles to the south of the proposed Phase 2 project area. The BNSF boundary is roughly 80 acres in size, and it is not on the National Priority List. The 1989 Record of Decision and 1991 Consent Decree also required institutional controls to restrict land use on portions of the Site. The restrictions and controls were approved by the EPA and DEQ pursuant to the Consent Decree and a recommendation from the previous two five-year review reports prior to adoption and filing (EPA, 2022). However, these restrictions and controls would not impact the proposed action as they operate within the boundaries of the BNSF site and do not impose any requirements at the proposed action location.

The proposed project may be subject to additional regulatory oversight and operating conditions at federal, state, county, and/or local levels including, but not limited to, authorizations related to air quality, water quality, and excavation and disposal of soils. Flathead County identifies this project area as not zoned; however, the operation would be required to comply with any applicable zoning regulations.

Direct Impacts

Construction and Operation: DEQ is not aware of any other locally-adopted environmental plans or goals that would impact this proposed project or the project area. Impacts from or to locally-adopted environmental plans and goals would not be expected as a result of this project. The proposed activities would occur on county lands that are under county land use jurisdiction.

Secondary Impacts

Construction and Operation: No secondary impacts from or to locally adopted environmental plans and goals would be expected because of the proposed work.

Cumulative Impacts

Construction and Operation: No cumulative impacts from or to locally adopted environmental

plans and goals would be expected from the proposed action.

Access to and Quality of Recreational and Wilderness Activities

The location of the proposed activity was evaluated in relationship to recreation and Wilderness sites. There are no designated Wilderness areas and no recreational opportunities for the general public in the project area.

Direct Impacts

Construction and Operation: Due to the lack of any wilderness area or recreational opportunities, no impact to access and quality of recreational opportunities would be expected from this project.

Secondary Impacts

Construction and Operation: No secondary impacts to the access and quality of recreational opportunities would be expected from the proposed action.

Cumulative Impacts

Construction and Operation: A conservation easement associated with the Wiley Slough area is located approximately one-quarter mile north of the facility property boundary. This easement and the impacts from the groundwater discharge at the RIBs were evaluated in the April, 2025 Final EA for the Phase 1 discharge permit. For additional detail regarding groundwater discharge and attenuation, please see the April 2025 Final EA, incorporated here by reference. No cumulative impacts to the access or quality of recreational opportunities, including to the Wiley Slough area, would be expected from the proposed action based on the analysis documented in the April, 2025 Final EA.

Density and Distribution of Population and Housing

The proposed action would authorize construction, installation, and operation of a WWTF, increasing the capacity of the system, but would not, by itself, add to the population or create or require additional housing.

Based on information provided by the LCWSD, sewer service is provided to 1,591 equivalent dwelling units (EDUs) in Lakeside and Somers. At 2.3 people per EDU, the estimated population currently served by the District is approximately 3,660 people.

In the past 10 years Flathead County has experienced rapid population growth. The LCWSD looked at historic growth patterns in the area, summarized current connection commitments, and coordinated with potential developments within and adjacent to the District boundaries to determine an appropriate population growth rate for a 20-year planning period. Based on this analysis, the District and their engineer presented the expected population increase over three periods: 0 – 5 years from present, 5 – 10 years from present, and 10 – 20 years from present. The anticipated annual growth rate over these periods, and expected number of EDUs, is presented in the table below. The District is aware of multiple developments looking to connect to the wastewater system if capacity were available. As a result, the PER presented a higher growth potential in the near term given the current rapid growth in the area. The annual growth rate averaged across the 20-year planning period is approximately 4.8% per year.

Table 6 GROWTH PROJECTIONS			
Year	EDUs	Population Equivalent 2.3 people/EDU	Annual Growth Rate for Period
2024	1,591	3,659	
2029	2,462	5,663	9.1%
2034	2,957	6,801	3.7%
2044	4,092	9,412	3.3%

Direct Impacts

Construction and Operation: The proposed action would not add to the population or create or require additional housing. Impacts to density and distribution of population and housing would not be anticipated as a result of the proposed action. During operation of the facility, it is anticipated that two to three full time personnel would be needed to run the treatment plant and septage receiving facility. Most nearby communities have the ability to absorb the 10 – 20 construction personnel and two to three facility employees without a noticeable change. However, it is unknown whether the proposed action would require the applicant to hire additional employees or if it would utilize its existing employees.

Secondary Impacts

Construction and Operation: No secondary impacts to density and distribution of population and housing would be anticipated as a result of the proposed action. Approval of WWTF does not change zoning or otherwise influence where growth occurs; those decisions remain with local planning and zoning authorities.

Cumulative Impacts

Construction and Operation: No cumulative impacts to the density and distribution of population and housing would be expected.

Social Structures and Mores

The limited duration of the construction phase of the WWTF and the limited ground disturbance would not be expected to have direct, secondary, or cumulative impacts on the social structure and mores of the analysis area. The authorization of compliant WWTF does not induce large-scale in-migration, tourism, or commercial activity that might alter local traditions, social networks, or civic participation.

Cultural Uniqueness and Diversity

The proposed action would not be expected to affect cultural uniqueness or diversity in the analysis area. The WWTF would not change the mix of cultural groups present, the languages spoken, or the distinctive cultural practices that characterize a community. The limited construction workforce and minimal long term-operational staffing can be absorbed by nearby communities without noticeable changes in cultural uniqueness and diversity.

Private Property Impacts

The proposed action is to authorize construction and operation of a WWTF. DEQ has determined, however, that the authorization includes conditions that are reasonably necessary to ensure compliance with § 76-4-101 et seq., 75-5-101 et seq., and 75-6-101 et seq., MCA. Because the approval implements

these statutory requirements and does not deprive the owner of the property on which the proposed action would occur of all reasonable, economically beneficial use of their property, DEQ has determined that the proposed action is not expected to have private property taking or damage implications.

Greenhouse Gas Assessment

DEQ is required to evaluate greenhouse gas (GHG) emissions for proposed actions that meet the statutory definition of a fossil fuel activity, in accordance with 75-1-211 and 75-1-220, MCA. However, pursuant to 75-1-220(8), this proposed action is excluded from the definition of fossil fuel activity and therefore a GHG assessment is not mandatory.

Instead, to determine if a GHG assessment is needed, DEQ applies the MEPA standard of whether GHG emission impacts are potentially significant because of construction and operation of the WWTF and RIBs, ARM 17.4.609(3)(d)–(e).

Based on the short construction duration, the limited amount and size of construction equipment, and the absence of any combustion-based processes during normal operation, DEQ concludes that the construction and operation of the proposed action would not meaningfully increase GHG emissions, and therefore no additional GHG assessment is necessary for purposes of this EA.

Description of Alternatives

No Action Alternative: In addition to the proposed action, DEQ also considered a "no action" alternative. The "no action" alternative would deny the approval of Phase 2, which is the approval, construction and operation of the WWTF and RIBs. The applicant would lack the authority to conduct the proposed activity. Any potential impacts that would result from the proposed action would not occur. The no action alternative forms the baseline from which the impacts of the proposed action can be measured.

This alternative would maintain the District’s existing aerated lagoon system and baseline conditions associated with operating the existing system. Under the no action alternative, existing land application practices and rates within the LCWSD service area would remain unchanged, as the District would lack the advanced treatment infrastructure necessary to route septage through a permitted discharge pathway. Aerated lagoon systems are not designed to treat septage to the quality necessary to meet the effluent limits required by the District’s groundwater discharge permit. Additionally, the existing hydraulic capacity of the aerated treatment system is limited and would not be adequate for the projected growth period. For these reasons, the no-action alternative was determined to be nonviable and was eliminated from further consideration. Because the applicant demonstrated compliance with all applicable rules and regulations required for approval, the “no action” alternative is not appropriate.

The following section summarizes the alternatives analysis performed by the District as part of the PER, in which the District evaluated various alternatives before selecting the proposed project. The proposed action, including decisions about project location, system type, and capacity, is the District's responsibility as the project proponent, subject to applicable regulatory requirements.

DEQ's role is to evaluate the environmental impacts of the proposed action and to confirm compliance with applicable state laws, rules, and design standards, as well as to evaluate potential alternative(s), parameters, mitigation measures, or control measures that would accomplish the same objectives as those included in the proposed action. Within this Alternatives Analysis section, alternatives were considered and their reason for dismissal explained.

Commenters requested that DEQ require evaluation of alternative facility locations. Requiring the District to relocate the facility to a different site would exceed the scope of DEQ's Phase 2 MEPA review authority as specified in (75-1-201(1)(a)(iv)(C)(I), MCA), and is not a basis to deny an application that otherwise meets applicable regulatory standards DEQ's substantive permitting laws; local land-use authorities remain responsible for land-use and siting decisions.

Other Reasonable Alternative(s):

A. WRRF TREATMENT SYSTEM IMPROVEMENTS

The anticipated growth, septage loading, and required effluent treatment quality necessitates replacement of the existing wastewater treatment system for the District with an advanced mechanical treatment plant. The District evaluated four alternatives, including a "no-action" option. Each of the treatment alternatives considered are activated sludge processes, also referred to as biological nutrient removal treatment systems. Activated sludge processes use naturally occurring microorganisms in the influent wastewater through controlled time and oxygen processes to biologically degrade nutrients (primarily nitrogen and phosphorus) in the raw wastewater to meet the required treated wastewater quality. Each of the treatment alternatives considered can reliably meet the design effluent criteria as presented in greater detail later in this document.

Each alternative treatment alternative considered would include a septage equalization basin that would allow the District to uniformly feed flow from the septage receiving facility into the treatment process, as well as a solids handling process for storing, drying and disposal of waste activated sludge (WAS or biosolids).

OXIDATION DITCH WITH SECONDARY CLARIFIERS – An oxidation ditch is a biological nutrient removal wastewater treatment process that uses oval-shaped concrete channels and mechanical aerators to treat wastewater. Horizontally or vertically mounted aerators provide circulation, oxygen transfer, and aeration in the ditch. Oxidation ditches are capable of nutrient removal by cycling aerobic and anoxic zones in the channel.

This alternative considered two oxidation ditches, generally operating in parallel. Following screening, wastewater would enter the outermost portion of the concentric concrete channels, traveling through the channel towards the center discharge point. Alternating mixing and diffused air along the flow path allows for the creation of anoxic and aerobic zones allowing for removal of carbon, nitrogen and phosphorus in the wastewater. Separation of biosolids from the denitrified wastewater would occur in secondary clarifiers. A portion of the settled biosolids is pumped back to the oxidation ditch influent as return activated sludge (RAS) to continue treatment. The remainder of sludge not returned as RAS would be disposed of in the District's proposed solids handling process.

The oxidation ditch with secondary clarifiers was determined to be a viable option for the LCWSD and was given further consideration.

SEQUENCING BATCH REACTOR (SBR) –

A Sequencing Batch Reactor (SBR) is a type of activated sludge process that operates in time-sequenced phases within a single concrete tank or reactor basin. The SBR process can be configured to include aerobic, anaerobic and anoxic time periods to specifically target the removal of total nitrogen and total phosphorus to meet discharge limits.

The SBR system considered in this alternative would include three reactor basins. Each basin would

contain aeration and mixing equipment as well as a decanter to remove clarified treated wastewater following treatment. As the name implies, the process treats influent wastewater in batches. Having multiple reactor basins allows one basin to be filled while the other basin is being treated. Following full treatment, the batch is discharged and the process switches with the basin previously filled going into treatment while the other basin fills. An advantage of an SBR process is their compact footprint, as all treatment stages, including clarification, occur within a single reactor basin.

The treatment cycle consists of five essential steps: fill, react/aerate, settle, decant, and idle. The configuration and duration of the steps can be adjusted to achieve different treatment outcomes. Additionally, the cycling of aeration and mixing can create variable oxygen-rich and oxygen-poor periods to facility nitrogen removal and even biological phosphorus removal.

Each treatment cycle begins with the fill phase, during which influent wastewater enters the reactor basin. Depending on the system design, this phase may be anaerobic—lacking both oxygen and nitrate—to promote the release of phosphorus, or anoxic—lacking oxygen but containing nitrate—to facilitate denitrification, where nitrate is converted to nitrogen gas by denitrifying bacteria. In some configurations, the fill phase may also be aerobic, initiating the breakdown of organic matter and ammonia.

Following the fill phase, the system enters the aeration phase, where air is supplied to support aerobic microorganisms that degrade biological oxygen demand (BOD) and ammonia. This phase is essential for nitrification, the biological conversion of ammonia to nitrate. After sufficient aeration, the system transitions to the settling phase, during which aeration stops and solids are allowed to settle. The activated sludge forms a blanket at the bottom of the tank, while clarified water, or supernatant, remains at the top. In the subsequent decant phase, this treated supernatant is removed for discharge or further treatment, such as disinfection. The cycle concludes with a brief idle or draw phase, during which excess sludge may be wasted or recycled to maintain a balanced microbial population before the next cycle begins.

The Sequencing Batch Reactor was determined to be a viable option for the LCWSD and was given further consideration.

MEMBRANE BIOREACTOR (MBR) –
The membrane bioreactor (MBR) process for wastewater treatment combines biological nutrient removal with advanced membrane filtration. Membranes typically are manufactured as flat plate, hollow fiber or tubular membranes and are configured in various ways to create enough surface area to accommodate large volumes of water. There is a significant amount of in-service aeration required to keep these membrane structures clear of build-up. There are also in-service cleaning cycles when biodegradable cleaners must be used to maintain function of the membranes.

Membrane bioreactor systems require a greater degree of screening than other activated sludge processes to protect the delicate membrane components. Screened wastewater then enters an aeration tank, also known as the bioreactor, where microorganisms break down organic matter and nutrients such as nitrogen and phosphorus. Aeration is continuously supplied to maintain optimal oxygen levels, supporting aerobic microbial activity that effectively treats the wastewater.

After biological treatment, the mixed liquor—a combination of water and biomass—flows into the membrane tank. Here, membrane modules, typically consisting of ultrafiltration or microfiltration

membranes, separate suspended solids, bacteria, and other contaminants from the treated water. This membrane filtration step effectively replaces the secondary clarifier used in conventional treatment systems. In submerged MBR systems, the membranes are placed directly in the bioreactor, while in side stream systems, the mixed liquor is pumped through external membrane units.

The clean water, known as permeate, is then drawn through the membranes and collected for discharge or for further treatment such as disinfection or reverse osmosis, especially in water reuse applications. To maintain the health and balance of the microbial population, excess sludge is periodically wasted from the bioreactor. Regular maintenance of the membrane system is also essential; this includes routine backwashing and chemical cleaning (Clean-in-Place, or CIP) to manage membrane fouling. Aeration in the membrane tank also serves a dual purpose by scouring the membrane surfaces to reduce buildup. Overall, the MBR process offers a compact, efficient, and high-performing solution for modern wastewater treatment needs.

The Membrane Bioreactor was determined to be a viable option for the LCWSD and was given further consideration.

B. SOLIDS HANDLING

Secondary wastewater treatment processes at a wastewater treatment facility generate solids (biosolids or sludge) through biological processes and clarification/settling. Management of the amount and age of biosolids in the treatment process is critical to maintain system efficacy. Periodically, a portion of the accumulated biosolids is separated from the treatment process (WAS) and needs to be disposed. The sludge storage and solids dewatering process recommended in the PER to be included with the project are aerated concrete sludge storage tanks and a screw press mechanical solids dewatering within a building.

Proposed solids handling facilities would be included with any secondary treatment process alternative considered by the District. Biosolids from the proposed solids handling facilities would be dewatered and disposed of at the Flathead Couty Landfill.

D. CAPITAL COST COMPARISON AND PRESENT WORTH ANALYSIS

A present worth (or life cycle) analysis is a means of comparing alternatives in present day dollars and can be used to determine the most cost-effective alternative(s). An alternative with low initial capital cost may not be the most cost-efficient project if high monthly operation and maintenance costs occur over the life of the alternative. The PER presented a present worth analysis for the treatment system alternatives considered. An interest rate of 3.0% over the 20-year planning period was used in the analysis of the annual O&M costs and adjusted salvage value at the end of the period.

Table 7
PRESENT WORTH ANALYSIS OF TREATMENT SYSTEM ALTERNATIVES

Treatment Alternative	Total Capital Cost	Annual O&M Cost	Salvage Value	Total Present Worth
Oxidation Ditch and Secondary Clarifiers	$28,776,500	$288,100	$9,768,800	**$27,654,100**
Sequencing Batch Reactor (SBR)	$18,754,100	$314,600	$5,943,800	**$20,142,900**
Membrane Bioreactor (MBR)	$26,311,900	$567,900	$6,807,800	**$30,991,300**

E. BASIS OF SELECTION OF PREFERRED ALTERNATIVE

In addition to the monetary present worth analysis presented in the previous section, the PER evaluated several additional non-monetary factors for the three treatment system alternatives considered through a number of weighted ranking criteria. A ranking score of 1 to 5 was selected for each alternative for each category considered, with 1 representing the lowest rating and 5 the highest. A weighting value was assigned to each criterion ranging from 1 to 3, with 3 indicating the highest level of importance as established by the District. The weighting value was multiplied by the ranking score for each alternative for a total potential value of 15 for each criterion. Table 8 presents the ranking comparison of the three treatment system alternatives.

Table 8
WEIGHTED RANKING OF TREATMENT SYSTEM ALTERNATIVES

Criteria	Weight	Oxidation Ditch		SBR		MBR	
Technical Feasibility	2	5	10	5	10	3	6
Longevity/Reliability	1	5	5	4	4	2	2
Water Quality	2	4	8	4	8	5	10
Regulatory Compliance	2	5	10	5	10	5	10
Constructability	1	5	5	5	5	4	4
Environmental Impacts	1	5	5	5	5	5	5
Financial Feasibility	3	2	6	5	15	3	9
Operation & Maintenance	2	5	10	3	6	1	2
Public Health and Safety	3	5	15	5	15	5	15
Land Impact/Availability	1	3	3	4	4	4	4
Total			**77**		**82**		**67**

Based on the weighted ranking analysis, the SBR alternative ranked the highest with the MBR alternative ranking the lowest. The MBR's lower ranking is primarily due to the higher operation and maintenance requirements and limited longevity of the membranes. The preferred treatment system alternative is the SBR.

The proposed project would include construction of a sequencing batch reactor (SBR) treatment system capable of meeting the required effluent water quality of the District's groundwater discharge permit for the 10-year growth period. The project would also include construction of aerated concrete sludge storage basins, a mechanical screw press for sludge dewatering, and three rapid infiltration basins (RIBs) for groundwater disposal of treated effluent. Figure 3 shows the overall project plan. Figure 4 shows the proposed treatment system layout.

The District intends to continue using the two existing storage lagoons to hold treated wastewater during the winter months for land application/irrigation during the summer months. Discharge of treated wastewater during the winter would be limited to the capacity of the proposed RIBs (200,000 gpd). The District measured the sludge depth in the existing storage lagoons in October 2025. The average sludge depth across the ponds was less than 7 inches, which is less than the 1-foot design depth for sludge storage in the lagoons.

The EA identified a Phase 2 project cost of $13,422,047 based on the 2023 Uniform Application; that figure was an unintentional error. The Final EA reflects the corrected Phase 2 project cost of $31,317,190, discussed below.

Federal and State grant/loan programs would fund the project. The proposed Phase 2 project is estimated to cost $31,317,190. The LCWSD would contribute $4,015,000. The remainder of needed funds would be provided through Flathead County Funds in the amount of $3,750,000, Western Montana Conservaation Commission (WMCC) funds of $910,000, and a low interest loan (2.5% for 30 years) from the Montana Department of Environmental Quality's Water Pollution Control State Revolving Fund (WPCSRF) program in the amount of $22,277,942.

The proposed Emerging Contaminants Tertiary Treatment project, discussed further in the Water Quality, Quantity and Distribution section above, is estimated to cost $4,461,065. That project is expected to be funded by a combination of local funds and SRF loans, and would be subject to DEQ review at the time it receives a complete application from the District.

The sum of the Phase 1 and Phase 2 project cost for engineering and construction is approximately $59.5 million. With the proposed tertiary treatment project, the total engineering and construction cost is approximately $64 million.

The current LCWSD monthly sewer rate is calculated using a base rate of $61.59 plus $2.43 per 1,000 gallons. The current sewer user rate was recently increased at a District board meeting in August 2025. The usage rate is calculated using water system meter values from winter months. Using a monthly usage of 4,000 gallons; the average monthly user rate would be $71.31. The current average sewer rate is greater than the Montana Department of Commerce's (MDOC's) wastewater Target Rate for the Lakeside CDP of $62.97.

The current District sewer user rates appear adequate to cover the debt service of this project. However, rate increases may occur as a result of this proposed action.

The financial impact of the District's current sewer rate on system users is shown in Table 9. The existing monthly sewer cost per household is approximately 1.0% of the monthly median household income. Based on EPA guidance for project affordability, the sewer user rate may impose a moderate economic hardship on some households.

Table 9
PROJECT AFFORDABILITY

	Lakeside CDP
Monthly residential sewer rate (base rate)	$71.31
Monthly median household income (mMHI)[1]	$6,996.50
Sewer rate as a percentage of mMHI	1.0%

1 – Ref 2019-2023 US Census Bureau's American Communities Survey data.

Consultation

DEQ engaged in internal and external efforts to identify substantive issues and/or concerns related to the proposed project. Internal scoping consisted of internal review of the environmental assessment document by DEQ staff. External scoping efforts also included queries to the following websites/databases/personnel:

1. The Montana Department of Natural Resources and Conservation (DNRC) was solicited for comments via letter on September 26, 2024, regarding impacts to the floodplain due to the proposed project. DNRC responded via an email on October 2, 2024, stating that portions of the proposed project would be located adjacent to a FEMA mapped regulatory floodplain and noting that any construction within a mapped floodplain would require a permit from Flathead County. No portion of the proposed work would be located within a mapped floodplain.
2. The Montana Department of Fish, Wildlife and Parks (MTFWP) was solicited for comments via letter on April 30, 2024 and September 26, 2024, regarding any impacts to fish and wildlife due to the proposed project. No comments from MTFWP have been received at the time of this report.
3. SHPO was solicited for comments via letter on September 26, 2024, and reviewed the project for historical significance. SHPO responded via email on October 2, 2024. According to their records, there have been a few previously recorded sites and a few cultural resource inventories done within the designated search locales. SHPO stated that as long as there would be no disturbance or alteration to structures over fifty years of age, they feel that there is a low likelihood that cultural properties would be impacted and, as such, felt a cultural resource inventory is unwarranted at this time. However, should structures need to be altered or cultural materials be inadvertently discovered during the project, SHPO must be contacted, and the site investigated.
4. The U.S. Department of the Army Corps of Engineers (USCOE) was solicited for comments via letter on April 30, 2024, and September 26, 2024, regarding impacts to wetlands due to the proposed project. The USCOE stated in an October 9, 2024, response letter that if the proposed involves activities within navigable reivers of the United States, it may be subject to a Section 10 permit. The letter also stated that placement of fill material in any area below the ordinary high-water mark of any stream channel, lake or pond, or wetland would require a 404 permit. No construction activities or fill within a navigable river, wetland, stream channel, lake or pond are anticipated as part of this project.
5. The U.S. Fish and Wildlife Service (USFWS) was solicited for comments via letter on April 30, 2024, and September 26, 2024. No response from USFWS has been received at the time of this report.
6. The Montana Sage Grouse Habitat Conservation Program website was consulted to determine whether the project has any potential impacts to sage grouse. It was determined that the project is not located in an Executive Order Area and further efforts are not warranted regarding sage grouse.

Public Involvement

Since 2007, the District has held multiple meetings to discuss the need to address future capacity limitations at their WWTF. Since 2023, the District has maintained a webpage, available from their homepage, that is dedicated to the WWTF and RIB upgrades. The webpage includes links to a description of the project history, proposed location, FAQs, and regular updates. District board meeting agendas and minutes, that include regular business information and project updates, are available on their homepage. The webpage also includes a sign-in widget for interested people to submit comments and stay informed about the project.

On June 13, 2024, the District held an open house to present the proposed Phase 1 construction project as well as potential further treatment facility improvements that would take place in Phase 2. The meeting was noticed through monthly bills, social media postings, and through the District's website. The meeting,

held at the Somers-Lakeside Fire Station, included information display boards presenting each step of the proposed improvements system. District representatives and their consulting engineers were available for questions from residents. Comment and question cards were available at the open house, and 30 people signed the "sign-in" sheet.

The public comment period for the Phase 1 EA was open from December 9, 2024 through February 27, 2025 and included a public hearing on February 27, 2025. Over 600 public comments were received. The Department responded to those in the 2025 Response to Comments document, available online on DEQs website and included in the References section of this EA.

On August 21, 2025, the District held a public meeting to present the PER, the proposed Phase 2 improvement project, and a resolution to increase user rates. The meeting was attended by 70 people. Public comments were provided and considered by the District Board at the meeting. The resolution to increase user rates, accept the PER, and proceed with the Phase 2 project was voted on and approved by the Board at the August 21, 2025 meeting.

DEQ published the Phase 2 draft EA on April 9th, 2026. Under MEPA, an agency is responsible for providing opportunities for public review consistent with the seriousness and complexity of the environmental issues associated with the proposed action and the level of public interest. For purposes of this proposed action, the method of accomplishing public review is explained below.

DEQ accepted public comment on the draft EA from April 9th, 2026 through April 30th, 2026. After receiving requests for additional time, DEQ extended the written comment period by 7 days, for the total of 21 days. DEQ hosted a public meeting to take public comment on the draft EA on April 23rd, 2026 at the Community Room at the Lakeside QRU (201 Bills Road, Lakeside, MT 59902) and virtually via Zoom. DEQ notes that it received numerous written and oral comments from the public during the comment period. A summary of the comments received and DEQ's responses is included below. Significance of Potential Impacts and Need for Further Analysis

When determining whether the preparation of an environmental impact statement is needed, DEQ is required to consider the seven significance criteria set forth in ARM 17.4.608, which are as follows:

- The severity, duration, geographic extent, and frequency of the occurrence of the impact;
- The probability that the impact will occur if the proposed action occurs; or conversely, reasonable assurance in keeping with the potential severity of an impact that the impact will not occur;
- Growth-inducing or growth-inhibiting aspects of the impact, including the relationship or contribution of the impact to cumulative impacts – identify the parameters of the proposed action;
- The quantity and quality of each environmental resource or value that would be affected, including the uniqueness and fragility of those resources and values;
- The importance to the state and to society of each environmental resource or value that would be affected;
- Any precedent that would be set as a result of an impact of the proposed action that would commit the department to future actions with significant impacts or a decision in principle about such future actions; and
- Potential conflict with local, state, or federal laws, requirements, or formal plans.

Conclusions and Findings

In determining whether the Phase 2 proposed action requires an EIS, DEQ applied the seven significance criteria in ARM 17.4.608(1) to the specific proposed action — the installation and operation of SBR-based advanced treatment at the existing LCWSD facility — and its anticipated direct, secondary, and cumulative effects. Pursuant to 17.4.603(12) economic and social effects are considered as part of DEQ's overall review under ARM 17.4.609, but economic and social impacts do not by themselves require an EIS.

Severity, Duration, Geographic Extent, and Frequency

The direct physical disturbance associated with Phase 2 construction would be limited to approximately 8 acres within the existing, already-developed wastewater facility footprint. No new land is being brought into the project area; no discharge pathway, discharge point, or permitted receiving zone is being added or changed from what was analyzed in the Phase 1 EA. Construction-related effects, including temporary soil disturbance, dust, noise, and traffic, are short-term and localized to the existing facility site. No designated Wilderness areas, Wild and Scenic Rivers, prime farmland, sage grouse habitat, or other specially designated resources fall within the Phase 2 disturbance footprint.

Operational effects are expected to be stable, long-term, and consistent with the effluent quality requirements established under MGWPCS Permit MTX000307. The SBR system is designed to produce treated effluent that meets the permit's effluent limits prior to discharge to the RIBs. The geographic extent of the operational change is limited to the existing facility and the RIB receiving area already analyzed and permitted under MTX000307; Phase 2 does not expand the authorized discharge volume or receiving zone.

Probability of Impact

The probability that construction-phase impacts would occur is high, because routine ground disturbance, equipment operation, and associated effects are inherent to construction. However, these impacts are temporary and minimized through standard BMPs, Circular DEQ-2 design requirements, and enforceable permit conditions. The probability of harm to sensitive environmental resources from construction disturbance is low.

Operational impacts are stable and predictable. The Phase 2 WWTF must comply with Circular DEQ-2 design standards and must operate within the effluent limits, nondegradation conditions, and monitoring requirements of MGWPCS Permit MTX000307. Those permit conditions were established in the Phase 1 permitting action based on site-specific hydrogeologic analysis and modeling. Phase 2 does not change those conditions; it provides a treatment system designed to meet them. Because the operational parameters are bounded by an existing, enforceable permit, the probability of operational impacts beyond those already addressed in Phase 1 is low.

Uniqueness and Fragility of Affected Resources

The resources impacted by Phase 2 construction and operation are limited to the existing LCWSD facility site and its immediate surroundings, including soils, localized vegetation, and the developed facility footprint. These resources are not unique or unusually fragile. The facility is located within an already-developed wastewater treatment site, and no designated wilderness areas, wetlands of special significance, threatened or endangered species habitat, or other specially protected resources fall within the Phase 2 disturbance area.

Phase 2 does not change the authorized discharge pathway, discharge volume, or effluent limits established under MGWPCS Permit MTX000307. Questions about the sensitivity of downstream receiving

waters were addressed in the Phase 1 permitting process and are not reopened by Phase 2. The significance of this factor is therefore low with respect to the Phase 2 proposed action.

Importance of Affected Resources to the State and Society

The resources impacted by Phase 2 are the existing LCWSD wastewater treatment facility and its immediate site. Wastewater infrastructure serves an important public health function for the Lakeside community, and the Phase 2 upgrade is intended to ensure the District can meet the treatment standards required by its existing permit. This factor does not identify a significant adverse effect attributable to the Phase 2 proposed action.

Growth-Inducing and Cumulative Effects

Phase 2 would increase treatment reliability within the LCWSD service area and would enable centralized, permitted management of wastewater flows that are already contemplated under the Phase 1 permit and local planning documents. DEQ considered whether these improvements would induce significant growth and cumulative environmental impacts.

Phase 2 does not, by itself, authorize new subdivisions, change land-use designations, or remove applicable subdivision or zoning controls. Development served by the District remains subject to Flathead County's land-use review processes. Phase 2 does not expand the permitted discharge volume or the size of the receiving zone. Because Phase 2 does not change the authorized discharge, it does not increase the cumulative loading that was evaluated and authorized in Phase 1. DEQ therefore concludes that Phase 2 does not introduce new or additional cumulative water-quality impacts beyond those already analyzed and permitted under the Phase 1 framework.

Precedent and Commitment to Future Actions

Phase 2 does not set a precedent that would commit DEQ to any additional decisions. The proposed treatment upgrade is bounded by the existing permit conditions, and no new commitments for additional phases or expanded discharge are part of the Phase 2 proposed action. Any future expansion of discharge beyond the current MGWPCS Permit limits, additional facility phases, or changes to the permitted receiving zone would require independent permitting and MEPA review.

Conflicts with Applicable Laws and Formal Plans

DEQ evaluated whether Phase 2 conflicts with applicable water-quality standards, TMDL requirements, local land-use plans, tribal water quality standards, or other regulatory requirements and found no such conflict. The Phase 2 treatment improvements are designed to meet the effluent quality standards and nondegradation conditions established in the Phase 1 groundwater discharge permit. The project is designed to comply with Circular DEQ-2, the Montana Water Quality Act, public water supply laws, and applicable tribal water quality standards.

Conclusion

Having applied each of the seven ARM 17.4.608 factors to the specific Phase 2 proposed action, DEQ concludes that no factor identifies a significant adverse effect attributable to the Phase 2 treatment upgrade. Phase 2 is limited to constructing and operating advanced treatment infrastructure at the existing LCWSD facility site, within the discharge framework already established under MGWPCS Permit MTX000307, and does not create new discharge pathways, new receiving zones, or new regulatory commitments. Preparation of an EIS is therefore not required.

PREPARATION

Environmental Assessment and Significance Determination Prepared By:

Steve Lipetzky, P.E., Environmental Engineer

Environmental Assessment Reviewed By:

Anne Spezia, MEPA/MFSA Coordinator

Isabelle Nebel, Attorney

Aurora Goddard, Attorney

Approved By:

Mike Abrahamson for Rachel Clark 06/15/2026

SIGNATURE *Date*
Rachel Clark, PE – Engineering Bureau Chief
Department of Environmental Quality

REFERENCES

Administrative Rules of Montana (ARM) (2026), https://rules.mt.gov/

Burlington Northern (Somers Plant), EPA (2022), https://cumulis.epa.gov/supercpad/cursites/csitinfo.cfm?id=0800390

DEQ 2018 Circular DEQ-2. Design Standards for Public Sewage Systems, https://deq.mt.gov/files/water/WQInfo/Documents/Circulars/Circulars/2018DEQ-2.pdf

Flathead County Septage Treatment & Biosolids Composting Facility – Basis of Design Report, December 22, 2023, prepared by HDR.

Flathead County Septage Treatment & Biosolids Preliminary Design – Technical Memorandum #3 Site Analysis, January 23, 2023, prepared by HDR.

Flathead County Zoning (2026) https://flatheadcounty.gov/department-directory/planning-zoning/zoning-information

Harrison, J.E., Cressman, E.R., and Whipple, J.W. (1992): Geologic and Structure Maps of the Kalispell 1o x 2o Quadrangle, Montana, Alberta and British Columbia; *United States Geological Survey*, Miscellaneous Investigation Series, Map I-2267, scale 1:250,000, 2 sheets.

LaFave, J.I. (2004) Potentiometric surface map of the southern part of the Flathead Lake area, Lake Missoula, Sanders Counties, Montana. Montana ground-water assessment atlas no. 2, part B, map 4. Montana Bureau of Mines and Geology, A Department of Montana Tech of The University of Montana, Butte, MT.

Lakeside County Water & Sewer District Wastewater Treatment Facility Plan September 2025, prepared by Robert Peccia & Associates.

LCWSD Wastewater System Improvements – Technical Memorandum, July 13, 2021, prepared by Robert Peccia & Associates.

LCWSD Wastewater Treatment Facility – Headworks Improvement Plan, August 2024, prepared by Robert Peccia & Associates.

Miscellaneous Correspondence – Lakeside Wastewater Improvements Project, March 2022 – December 2025, prepared by Robert Peccia Associates, Inc.

Montana Bureau of Mines and Geology Ground Water Information Center (GWIC) Database https://mbmggwic.mtech.edu/sqlserver/v11/help/go/signin.asp

Montana Code Annotated (MCA), (2026) https://leg.mt.gov/bills/mca/index.html

Montana Department of Environmental Quality, Permit No.: MTX000307, Authorization to Discharge under the Montana Ground Water Pollution Control System (April 28, 2025)

Montana Department of Environmental Quality, PERMIT FACT SHEET, Montana Ground Water Pollution Control System (MGWPCS) Permit MTX000307, LCWSD Rapid Infiltration System, April 2025, prepared by Melinda Horne.

Montana Department of Environmental Quality, Phase 1 Press Release (Permit MTX000307, Final Environmental Assessment, Responses to Comment). (April 28, 2025) https://deq.mt.gov/News/pressrelease-folder/Lakeside-25-04

Montana Natural Heritage Program, (2022) Animal Species of Concern Report. https://mtnhp.org/SpeciesOfConcern/?AorP=a

Montana Natural Heritage Program, (2022) Plant Species of Concern Report. https://mtnhp.org/SpeciesOfConcern/?AorP=p

Montana Sage Grouse Habitat Conservation Program Map. https://sagegrouse.mt.gov/ProgramMap

Natural Resources Conservation Service, United States Department of Agriculture. Web Soil Survey. https://websoilsurvey.nrcs.usda.gov/

Natural Heritage Map Viewer. Montana Natural Heritage Program http://mtnhp.org/MapViewer/

Noble, R.A. and Stanford, J.A., 1986, Ground-water resources and water quality of the unconfined aquifers in the Kalispell Valley, Montana: Montana Bureau of Mines and Geology Open-File Report 177, 112 p.

Occupational Health and Safety Administration (OSHA) (2026), https://www.osha.gov/

Report of Geotechnical Investigation Lakeside Wastewater Project Somers, Montana, May 2022, prepared by Alpine Geotechnical

Uniform Application and Priority List Survey – Lakeside Wastewater Improvements Project, October 2023, prepared by Lakeside County Water & Sewer District and Robert Peccia Associates, Inc.

United States Census Bureau. American Communities Survey 2019-2023

US Fish and Wildlife Service, National Wetlands Inventory (2026), https://www.fws.gov/program/national-wetlands-inventory

PUBLIC COMMENT SUMMARY AND RESPONSES

Public Comment Period and Tribal Notice

Multiple commenters requested a 60-day extension of the public comment period. Representative comments stated: "14 days is not nearly enough time to review this highly technical document" and "I request at minimum a 60-day extension to provide adequate time to obtain expert review." Members of the Confederated Salish and Kootenai Tribes (CSKT) contended that they did not receive adequate notice of the draft EA or the April 23, 2026 public hearing.

Theme Response: Public Comment Period, Tribal Notice

DEQ has carefully considered concerns about the public comment period and notification and respectfully disagrees that there was inadequate time to review and comment on the draft EA or that it did not provide notice to CSKT.

Under MEPA, the public comment period for a Draft EA is governed by ARM 17.4.610, which does not specify a fixed minimum number of days. Instead, ARM 17.4.610(3) charges the agency with "providing additional opportunities for public review consistent with the seriousness and complexity of the environmental issues associated with a proposed action and the level of public interest." For an EA, as opposed to an EIS which requires a minimum 30-day comment period under ARM 17.4.620, the type and duration of public review is left to the agency's discretion.

DEQ provided public notice of the Draft EA and scheduled a public hearing in the project community. After receiving requests for additional time, DEQ extended the written comment period by 7 days, for a total of 21 days. DEQ also held a public hearing on April 23, 2026, at which oral testimony was accepted from any interested person and recorded/ transcribed by Zoom into the administrative record. Both a written comment period and a noticed public hearing are identified in ARM 17.4.610(3) as methods of accomplishing public review, and DEQ used both in combination here.

The Phase 2 Draft EA is a focused document addressing the environmental effects of treatment technology upgrades at the existing LCWSD facility. The length and complexity of the Phase 2 Draft EA itself did not require an extended comment period to allow for meaningful review.

The 21-day written comment period plus a public hearing is appropriate for this EA under ARM 17.4.610. This conclusion reflects the specific nature of the proposed action: Phase 2 involves treatment technology upgrades at an existing facility, not a new discharge authorization, a new facility location, or new regulatory determinations about groundwater nondegradation or nitrate behavior, all of which were resolved in Phase 1. Consistent with that greater complexity, DEQ extended the Phase 1 comment period twice. Phase 2 does not present the same complexity. The facilities under review in Phase 2 consist of: (1) approval of plans and specifications for construction and operation of a wastewater treatment facility (sequencing batch reactor treatment plant, associated sludge-handling facilities, three RIBs, and interconnected piping) under the Montana public water supply laws; and (2) provision of financial assistance through the Montana Water Pollution Control State Revolving Fund (WPCSRF) program. Phase 2 does not expand the scope of the authorized discharge evaluated under Phase 1, authorize construction at a new location, or reopen the regulatory analysis resolved through the Phase 1 permitting process. Rather, Phase 2 upgrades treatment at the existing LCWSD facility site using well-understood SBR technology, within the groundwater discharge framework that Phase 1 already analyzed and established. DEQ's determination that a 21-day comment period plus a local public hearing provided adequate opportunity for public participation reflects this difference in complexity.

MEPA does not prescribe a specific comment period length for an EA. The 21-day period, combined with the public hearing and the prior public process conducted under Phase 1, provided a meaningful opportunity for the public to review and comment on the proposed action. DEQ notes that it received numerous, substantive written and oral comments.

Additionally, members of the Confederated Salish and Kootenai Tribes (CSKT) asserted that they did not receive adequate notice of the Phase 2 draft EA or associated public hearing. DEQ respectfully disagrees. On April 9, 2026, DEQ provided notice of the Phase 2 draft EA and public comment period to the CSKT by email to their Natural Resources Department. That notification is part of the administrative record for this proposed action. Additionally, CSKT submitted written comments to DEQ on April 30, 2026, which was during the comment period, and DEQ considered those comments carefully.

DEQ updated the Public Involvement section of the final EA to reflect the public comment period and hearing that were conducted on both the Phase 1 and Phase 2 draft EAs.

FONSI and EIS Threshold — DEQ's Significance Determination

Multiple commenters contended that DEQ's Finding of No Significant Impact (FONSI) is unsupported and that an Environmental Impact Statement is required. Representative comments stated: "The FONSI is not supported by the record" and "the project's potential water-quality effects on Flathead Lake trigger the obligation to prepare a full EIS." Several commenters cited the oligotrophic character of Flathead Lake and the 303(d) impairment status of lower Ashley Creek as factors they assert are relevant to the significance determination for Phase 2.

Theme Response: FONSI and EIS Threshold, ARM 17.4.608

DEQ respectfully disagrees that an EIS is required and maintains that the Phase 2 FONSI is supported by the record. The legal standard under ARM 17.4.607 requires an EIS only when a proposed action is "a major action of state government significantly affecting the quality of the human environment." Under ARM 17.4.608(2), an EIS is required "if an impact has a significant adverse effect," but "if none of the adverse effects of the impact are significant, an EIS is not required." That threshold is evaluated based on the seven criteria in ARM 17.4.608(1), applied to the specific proposed action, not to background conditions or to prior agency decisions.

Many comments challenging the Phase 2 FONSI focus on Phase 1 groundwater discharge issues, the Phase 1 nondegradation determination, and the decision to authorize subsurface discharge to the RIBs. Those issues were evaluated, noticed for public comment, and resolved through the Phase 1 EA and permit MTX000307, which constitute final agency action. The Phase 2 significance determination evaluates the cumulative impacts of the proposed action within the existing Phase 1 permit framework and does not re-evaluate the Phase 1 findings.

DEQ's application of each of the seven ARM 17.4.608 factors to the Phase 2 proposed action is set forth in the Significance section of the final EA. As explained in that section, no factor identifies a significant adverse impact attributable to the Phase 2 treatment upgrade. In summary: Phase 2 does not change the authorized permit conditions, the Phase 2 treatment upgrade operates within the permit limits and monitoring framework already established under Phase 1, and does not reopen or alter any of the determinations made in that prior review.

Although DEQ maintains its FONSI, it has revised the Significance section of the final EA to more explicitly

walk through each of the ARM 17.4.608 factors as applied to the Phase 2 proposed action. Commenters who wish to evaluate DEQ's factor-by-factor analysis are directed to that section of the final EA.

Scope of Phase 2 Review — Project Phasing

Several commenters contended that the Phase 1 and Phase 2 reviews were improperly separated. Representative comments stated: "DEQ has segmented the environmental review of this project to avoid analyzing its full cumulative impacts" and "Phase 1 and Phase 2 should have been reviewed together as a single action." DEQ notes that these comments assert a legal characterization, that the phased review constitutes improper segmentation, that DEQ does not accept.

Theme Response: Project Phasing and Scope of Review, Why Phases 1 and 2 Were Reviewed Separately

DEQ respectfully disagrees with the comments raising concerns that reviewing Phase 1 and Phase 2 of the Lakeside wastewater improvement project in separate EAs constitutes improper "segmentation" under MEPA. Commenters invoke a doctrine developed in federal NEPA case law, but MEPA's requirements are set forth in Montana's own administrative rules, not in federal judicial doctrine. DEQ's obligations are defined by ARM 17.4.603 and ARM 17.4.610, and DEQ fully complied with both.

ARM 17.4.603(7) defines "cumulative impact" as "the collective impacts on the human environment of the proposed action when considered in conjunction with other past and present actions related to the proposed action by location or generic type." It further provides that related future actions "must also be considered when these actions are under concurrent consideration by any state agency." This rule contains two distinct obligations: (1) consider cumulative impacts of the proposed action alongside related past and present actions; and (2) consider related future actions, but only when they are under concurrent consideration by a state agency. Phase 2 was not under concurrent consideration when Phase 1 was reviewed and permitted. Phase 1 was proposed, reviewed, and finalized before the Phase 2 application was submitted and before the Phase 2 design was sufficiently developed to define a proposed action. That Phase 2 was not concurrently pending during Phase 1 review was acknowledged throughout the Phase 1 EA. See the Phase 1 final EA at pages 4, 5, 9, 24, and 25. DEQ therefore had no obligation under ARM 17.4.603(7) to consider Phase 2 during the Phase 1 review.

Phase 1 and Phase 2 are not merely different phases of the same action, they involve fundamentally different types of proposed actions with fundamentally different categories of environmental impact.
Phase 1 was an application for a groundwater discharge permit and associated infrastructure — a lift station, headworks, and septage-receiving facility. The central environmental question in Phase 1 was whether discharging treated effluent through rapid infiltration basins (RIBs) into the shallow aquifer would comply with nondegradation requirements and protect groundwater and surface water quality. The cumulative impacts analyzed in Phase 1 were cumulative water quality impacts: the combined effect of this discharge on groundwater, and the potential for nitrate and other constituents to reach surface water, evaluated against nondegradation standards.

Phase 2 is an application to construct a wastewater treatment facility upgrade at the existing LCWSD site. Specifically, Phase 2 proposes to install sequencing batch reactor (SBR) technology, a treatment process that uses a series of fill-and-draw cycles in aeration tanks to remove biological oxygen demand, nitrogen, and suspended solids from wastewater before it is stored and discharged to the RIBs. The SBR system consists of physical structures: aeration tanks, blowers, decanting equipment, control systems, and related mechanical and electrical components. The environmental impacts of Phase 2 are the impacts of constructing and operating those structures: land disturbance, stormwater management during construction, noise, traffic, visual change, and long-term operational considerations associated with the

facility footprint. The cumulative impacts of Phase 2 are the cumulative effects of this construction and infrastructure in the context of other past and present construction and land use in the project area.

Critically, the environmental impacts of Phase 2 do not add to, alter, or magnify the water quality impacts already analyzed and permitted under Phase 1. Phase 2 does not change the volume of discharge authorized under the Phase 1 permit, the location of the RIBs, or the effluent limits that govern what reaches the aquifer. Phase 2 is the mechanism by which the District will meet those limits — but whether the SBR is designed to meet specific effluents does not change the water quality impacts of the discharge, which are governed entirely by the Phase 1 permit conditions. The water quality impacts are the water quality impacts regardless of whether Phase 1 and Phase 2 were reviewed together or separately. Reviewing them in a single EA would not have produced a different water quality analysis, because Phase 2 does not authorize, expand, or modify the discharge.

The concern underlying segmentation doctrine, whether in federal case law or otherwise, is that an agency might artificially divide a project to avoid analyzing its full environmental consequences. That concern has no application here. DEQ analyzed the full water quality consequences of the RIB discharge in Phase 1, considering site-specific hydrogeologic investigations, nondegradation modeling, and extensive public comment. DEQ is now analyzing the full construction and infrastructure impacts of the treatment facility upgrade in Phase 2. Reviewing these actions separately does not hide, minimize, or fragment any environmental impact. The impacts that are relevant to each phase were analyzed in full in that phase's review.

The Phase 2 EA's cumulative impacts discussion in the Geography and Soils and Water Quality, Quantity and Distribution sections address the combined infrastructure footprint of Phase 1 and Phase 2 construction and the relationship between Phase 2 treatment improvements and the water quality outcomes already analyzed and permitted under Phase 1. The Phase 2 EA also includes cross-references to the Phase 1 Final EA. Those discussions demonstrate that Phase 2 does not add adversely to any cumulative impact category identified in Phase 1.

In response to public comments, DEQ has strengthened the Phase 2 EA's cumulative impacts discussions in the Geography and Soils and Water Quality, Quantity and Distribution sections to further explain how Phase 2 relates to Phase 1. Additionally, DEQ has added several figures (5-7) of generic SBRs to better represent the disturbance area and aesthetic impacts associated with the proposed Phase 2 construction.

Groundwater Analysis — Phase 1 Permit Scope

Several commenters, citing independent reports by Hauer and HydroSolutions, contended that the groundwater analysis underlying the Phase 1 permit is flawed. Representative comments stated: "The models used by DEQ assume a homogeneous aquifer and are inappropriate for the deltaic setting at this site" and "preferential flow paths create travel times substantially shorter than DEQ assumed." Commenters assert that these concerns are relevant to and unresolved by the Phase 2 EA.

Theme Response: Groundwater Analysis, Phase 1 Scope

The concerns raised in these comments — aquifer heterogeneity, preferential flow paths, groundwater model selection, constituent travel times, and attenuation distances — are concerns about the behavior of the RIB discharge in the subsurface after it leaves the RIBs. Those questions go to the environmental impacts of the discharge authorization, not to the environmental impacts of constructing and operating the Phase 2 treatment facility. These questions relating to Phase 1 were addressed in the Phase 1 environmental review.

The hydrogeologic investigations, modeling analyses, and nondegradation determinations cited by commenters were all considered during the Phase 1 permitting process for MGWPCS Permit MTX000307. The independent studies by Hauer and HydroSolutions, the Maui functional equivalency arguments, and the criticisms of the MOUNDSOLV and Zlotnik models were each addressed in the Phase 1 EA and responses to comments. Please see pages 3 through 5, Theme 1, of the Phase 1 responses to comments. The effluent limits, setback requirements, and monitoring program established in the Phase 1 permit reflect DEQ's conclusions from that analysis.

Phase 2 does not authorize any discharge that was not evaluated in Phase 1. Phase 2 does not change the authorized discharge volume, the RIB locations, the effluent limits, or any other condition of permit MTX000307. It does not reopen the Phase 1 hydrogeologic analysis or the nondegradation determinations on which the permit is based. The groundwater behavior of the RIB discharge is addressed entirely in the Phase 1 permit framework and is not within the scope of this Phase 2 EA. These comments do not alter the scope or conclusions of the Phase 2 review.

RIB Discharge Impacts — Phase 1 Permit Scope

Several commenters raised concerns about phosphorus transport and downstream water quality, and contended that the Phase 2 EA defers required analysis to post-permitting monitoring. Representative comments stated: "The EA does not adequately analyze the risk of phosphorus reaching Flathead Lake" and "DEQ cannot defer its pre-permit analysis obligations to adaptive monitoring after discharge begins." Commenters also request that DEQ not make a final decision on Phase 2, pending judicial review of the discharge permit.

Theme Response: Flathead Lake and the Groundwater Discharge Permit, Scope of the Phase 2 EA

DEQ notes that commenters are concerned about the potential effects of the RIB discharge on downstream water quality and have asked why the Phase 2 EA does not independently evaluate those impacts. DEQ responds that those impacts were evaluated in Phase 1, and Phase 2 does not change them.

The regulatory decision governing how treated effluent is discharged to groundwater through the RIBs, including the effluent limits, nondegradation determinations, and the analysis of how that discharge behaves in the shallow aquifer, was made in connection with the issuance of groundwater discharge permit MTX000307 and the Phase 1 final EA. That review analyzed subsurface transport, constituent attenuation, and nondegradation compliance, and established effluent limits that govern what is discharged to the RIBs.

Phase 2 evaluates the cumulative environmental effects of the proposed action. Phase 2 does not change the authorized discharge volume, the RIB locations, the effluent limits, or any other condition of permit MTX000307. The questions commenters raise about phosphorus transport, attenuation, and downstream water quality are questions about the behavior of the RIB discharge. Those questions were analyzed and resolved in Phase 1. The Phase 1 permit is a final agency decision, and the Phase 2 EA does not provide a basis to reopen, revise, or replace Phase 1 permit conditions or nondegradation determinations. Commenters who wish to review the Phase 1 permit's analysis of phosphorus transport and effluent limits should refer to the Phase 1 administrative record and the applicable review process for that permit. A link to DEQ’s posting with the Phase 1 materials, including the final EA, responses to public comments document, and Permit MTX000307, was added as a reference to the final EA.

DEQ is aware that the Phase 1 EA and MGWPCS Permit MTX000307 are subject to pending judicial review.

As discussed in the purpose and need of the final EA, DEQ's role in evaluating the Phase 2 application is to determine whether the proposed application complies with the relevant provisions of DEQ-2, not to reevaluate the discharge permit application. If that permit were vacated by a court, the District would not be allowed to discharge as currently contemplated by the permit, but that decision would not affect whether the facilities under review in the proposed action of this EA complied with the relevant substantive portions of state design standards in DEQ-2.

Emerging Contaminants — PFAS, Pharmaceuticals, and Microplastics

Several commenters contended that the Phase 2 EA fails to evaluate the risk of PFAS, pharmaceuticals, and microplastics in septage accepted at the facility. Representative comments stated: "Concentrated county-wide septage will contain PFAS and other emerging contaminants that SBR treatment cannot remove" and "this project will introduce PFAS into the shallow aquifer without any analysis of the consequences."

Theme Response: Emerging Contaminants, Phase 1 Scope and Tertiary Treatment

The water quality impacts of discharge to the rapid infiltration basins, including the question of what constituents reach groundwater from the RIB system, were addressed in the Phase 1 EA and groundwater discharge permit MTX000307, and are outside the scope of this Phase 2 EA. For DEQ's evaluation of emerging contaminants in the context of the RIB discharge, please refer to the Phase 1 responses to comments, pages 12 through 13, Theme 9.

Commenters are correct that SBR-based biological treatment is not designed to remove PFAS or certain pharmaceuticals. This is a known characteristic of biological treatment technology and is not unique to the proposed Phase 2 system. DEQ notes, however, that the District has proactively submitted an application for WPCSRF funding to design and construct a tertiary treatment system, consisting of membrane filtration followed by granular activated carbon (GAC), specifically intended to address PFAS and pharmaceuticals in SBR effluent prior to discharge to the RIBs.

Because the tertiary treatment application is currently under concurrent consideration by DEQ, the Phase 2 EA's cumulative impacts discussion has been updated to include the proposed tertiary treatment project as a related future action and discusses its intended function. Because DEQ has not yet received final plans and specifications for that system, the updated cumulative impacts discussion addresses the tertiary treatment project in general terms based on the application information currently available.

The final EA for Phase 2 was updated in the Water Quality, Quantity, and Distribution section to acknowledge that SBR treatment does not remove PFAS, to disclose the District's pending tertiary treatment application, and to cross-reference the Phase 1 EA's discussion of PFAS considerations related to the groundwater discharge. The Geography and Soils section was also updated to address additional ground disturbance associated with the tertiary treatment system construction. In response to several comments on Phase 2 that were addressed by DEQ's Phase 1 review, the public may review the Phase 1 decision at: https://deq.mt.gov/News/pressrelease-folder/Lakeside-25-04. This posting has been added as a reference in the final EA.

Project Cost — Corrected Cost Figure and Ratepayer Impacts

Several commenters contended that the cost figure presented in the draft EA significantly understated the total project cost. Representative comments stated: "The EA states a project cost of $13.4 million, but LCWSD records show total costs of approximately $58.5 million" and "ratepayers have not been provided with a full accounting of the financial obligations they will bear." Some commenters also contended that

a rate study funded through ARPA was withheld from the public record.

Theme Response: Project Costs, Alternatives
The project cost presented in the second paragraph on page 44 of the draft EA was an unintentional error for the Phase 2 project cost. This paragraph will be replaced in the final EA with the following language:

> *Federal and State grant/loan programs will fund the project. The proposed Phase 2 project is estimated to cost $31,317,190. The LCWSD will contribute $4,015,000. The remainder of needed funds will be provided through Flathead County Funds in the amount of $3,750,000, Western Montana Conservation Commission (WMCC) funds of $910,000, and a low interest loan (2.5% for 30 years) from the Montana Department of Environmental Quality's Water Pollution Control State Revolving Fund (WPCSRF) program in the amount of $22,277,942.*

The following will be added following the above paragraph in the final EA:

> *The proposed Emerging Contaminants Tertiary Treatment Project is estimated to cost $4,461,065. That project is expected to be funded with a combination of local funds and SRF loans.*

Additionally, footnote number 1 for Table 9 "Project Affordability" should reference the 2019-2023 US Census Bureau's American Communities Survey data. This reference will be updated in the final EA.
The remaining discussion presented in that section of the draft EA related to existing and proposed user rates, the values presented in Table 9 "Project Affordability", as well as their potential economic impact to the public is accurate based on DEQ's understanding.

Commenters noted that the project cost presented in the draft EA does not sufficiently present the total project cost including the Phase 1 construction project. DEQ acknowledges the comment and updated the Description of Alternatives section of the final EA to reflect the cost of the Phase 1, Phase 2, and tertiary treatment projects. The sum of the Phase 1 and Phase 2 project cost for engineering and construction is approximately $59.5 million. With the proposed tertiary treatment project, the total engineering and construction cost is approximately $64 million. Financial impacts to user rates from the Phase 1 project were presented in the environmental review for that action. Prior to closing the loan for the Phase 1 project, the WPCSRF program evaluated the District's annual revenues and expenditures, and operational and maintenance costs to ensure that the sewer user rates were adequate to cover loan repayment and operational costs. As discussed above and presented in the draft EA for Phase 2, the current sewer user rate is anticipated to cover the debt service required for loans necessary to fund the Phase 2 project as well as existing debt service required by the Phase 1 loans. As presented on page 49 of the Phase 2 final EA, the user rate may impose a moderate economic hardship on some households, when evaluated against EPA guidance and median household income.

Several commenters asserted that the District and DEQ have withheld a rate study funded by the American Rescue Plan Act (ARPA). DEQ has not been provided with a copy of the mentioned rate study, since DEQ's role and authority in reviewing the proposed project is to verify the adequacy of sewer user rates debt service coverage, not to set utility user rates. Please see pages 47-49 of the final EA, which discusses the adequacy of user rates to cover the loan repayments resulting from the Phase 2 project, as well as "**Theme Response: Relevant Documents and ARPA Funded Rate Study**" below, which discusses how DEQ did not rely on the rate study in this EA. The commenters may request the study from the District.

The District's Preliminary Engineering Report evaluated multiple treatment alternatives at the current site, including lagoon-only upgrades, oxidation ditch, sequencing batch reactor (SBR), and membrane bioreactor technologies, using standard ranking criteria such as capital cost, long-term operation and maintenance cost, ability to meet the Phase 1 permit effluent limits, reliability, and constructability. Based on that analysis, SBR treatment at the existing LCWSD facility was identified as the most feasible and cost-effective alternative that meets the required treatment objectives within the existing permit framework. Requiring the District to abandon existing infrastructure and develop an entirely new facility at a different location would not only exceed DEQ's MEPA alternatives authority for a non-state-sponsored project, it could also result in substantially higher overall project costs than the alternative that has been selected through the PER process. The Final EA was updated in the Description of Alternatives section, pages 45 and 46, to explain DEQ's limited authority over site selection for applicant-sponsored projects and to address commenters' requests for alternative site analysis.

Flathead Lake Club — Land Use Decisions and System Capacity

Several commenters contended that the Flathead Lake Club (Territory 1889) development is the primary driver of the facility's expanded capacity. Representative comments stated: "This project is being built for the Flathead Lake Club development, not for the existing ratepayers" and "an allocation of approximately 200,000 gallons per day has been made to a private development without public review or cost-benefit analysis."

Theme Response: Flathead Lake Club, Land Use Decisions and System Capacity

As an initial matter, the Preliminary Plat of the Flathead Lake Club Subdivision was approved by the Flathead County Board of County Commissioners on August 21, 2025, through Flathead County's subdivision review process. That local land-use decision, including any questions about the need for or economic implications of the development, is outside the scope of this Phase 2 EA and is governed by county authorities and other applicable statutes.

Regarding system capacity, the District's existing treatment and storage system has capacity sufficient to serve the Flathead Lake Club development without Phase 2. The Phase 2 project is not being constructed to create capacity that would not otherwise exist for that development. Phase 2 is driven by the need to meet the advanced treatment requirements that permit MTX000307 establishes as a precondition for initiating RIB discharge, requirements that apply to the system as a whole regardless of which users or developments are served. The Phase 2 EA evaluates the environmental effects of the proposed treatment facility upgrade at the existing LCWSD site, and those effects do not depend on or vary with which specific developments or users ultimately connect to the system.

Existing Infrastructure Condition, Proposed Facility Siting, and Seismic Risk

Commenters raised concerns about the condition of the existing storage lagoon infrastructure. Some commenters alleged that the existing lagoons have not undergone a seepage test and asked whether the lagoons comply with applicable DEQ standards. One commenter submitted influent and effluent flow monitoring data and asserted that the data reflect excessive water loss attributable to lagoon leakage. Other commenters contended that septage loading under Phase 2 would increase hydraulic and chemical stress on lagoon liners and create a heightened risk of leakage into the shallow aquifer. Separately, commenters raised concerns about seismic and liquefaction hazards at the project site and argued that the draft EA did not demonstrate how proposed Phase 2 structures or the existing storage lagoons would perform during a seismic event. Additional commenters asked how accumulated sludge in the existing aerated lagoons would be managed upon their abandonment under Phase 2.

Theme Response: Existing Infrastructure, Seismic Risk, Floodplain, SBR Reliability, and Biosolids
DEQ disagrees that Phase 2 will increase hydraulic or chemical stress on the existing storage lagoon liners. Septage received at the facility will be processed through the new SBR tanks, not stored in or routed through the existing storage lagoons. Following Phase 2, the storage lagoons will continue to serve their current function: seasonal storage of treated effluent. The quality of that effluent will be higher under Phase 2 than under the existing aerated lagoon system, because SBR treatment produces effluent with lower concentrations of biological oxygen demand, total suspended solids, total nitrogen, and total phosphorus than conventional lagoon treatment. The storage lagoons will therefore receive better-quality influent after Phase 2 than they currently do, not worse.

Lagoon Liner and Integrity
Hydraulic pressure on the lagoon liner system is a function of water depth, which is governed by the bottom elevation of the pond and the height of the embankments. Phase 2 does not propose any modifications to the existing storage lagoons or to their maximum operating depth. Hydraulic stress on the liners would therefore not increase as a result of Phase 2.

Seepage Testing and Flow Monitoring Data
Several commenters expressed concern about potential excessive leakage from the existing storage lagoons and its potential impacts on water resources. One commenter asserted that the lagoons have never undergone a regulatory-compliant seepage test as required by Circular DEQ-2 Section 93.422. DEQ notes that the seepage testing standard in DEQ-2 Section 93.422 applies to new wastewater ponds and to existing ponds undergoing major modifications. Phase 2 does not include major modifications to the existing storage lagoons.

One commenter provided ten years of annual totalized influent and effluent flow data for the existing treatment system asserting that the condition of the facilities was not adequately addressed in the draft EA as the flow data presented a high percentage of water loss through the system. DEQ has analyzed the provided flow monitoring data. Discrepancies in flow data may be attributed to a number of factors including leakage, evaporation, and measurement error, and the data alone do not establish that leakage is occurring at levels that violate the conditions of the original approval.

DEQ has previously conducted two enforcement investigations of citizen complaints that alleged that the District's ponds were leaking in excess of state design standards. DEQ closed both of those complaints after determining that the evidence did not support the allegations. Because the ponds are existing and are not proposed to be modified by the proposed action, these ponds are outside the scope of this MEPA review. As discussed above, the Phase 2 project would not increase hydraulic or chemical stress on the existing storage lagoon liners, and the quality of the effluent stored in the ponds would be higher than the existing system.

Investigation of lagoon leakage and enforcement of the original construction and operation approval fall outside the scope of this Phase 2 MEPA review. In response to the concerns raised during the public comment period, DEQ has entered into a memorandum of understanding with the District (attached as Appendix A), in which the District agreed to perform a lagoon leakage analysis in accordance with Circular DEQ-2 Section 93.422, and to take corrective action if necessary. The final EA has been updated at the Geology and Soil section to include discussion about the MOU. DEQ will continue to work with the District on lagoon integrity to ensure compliance with applicable leakage standards.

Seismic Risk and Liquefaction

Multiple commenters argued that the draft EA did not sufficiently address seismic design considerations for both the existing facilities and the proposed Phase 2 improvements. Circular DEQ-2 does not contain independent seismic design standards for wastewater treatment facilities; structural and geotechnical design requirements are addressed through the engineering design and plans and specifications review process. As noted in the draft EA, a preliminary geotechnical investigation recommended ground stabilization methods for all permanent structures. Ground improvements consistent with those recommendations, specifically, vibratory densification of the underlying soils beneath the footprint of all permanent structures, were performed for all structures constructed under Phase 1, and will be required for all Phase 2 structures, including tanks designed to hold wastewater. The Geology and Soils section of the final EA has been updated to address ground stabilization measures in more detail.

With respect to the existing storage lagoons: those structures were constructed in accordance with the design standards in place at the time of their original approval — 1986 for the southern storage lagoon and 1994 for the northern storage lagoon. Phase 2 does not propose modifications to the existing storage lagoons, and the seismic design standards applicable to those structures are those that governed their original construction.

Aerated Lagoon Abandonment and Biosolids Disposition

Commenters questioned why the draft EA did not address the final disposition of sludge in the existing aerated lagoons following their abandonment under Phase 2. The management and final disposition of accumulated sludge in the aerated lagoons is outside of the scope of this EA. Wastewater lagoon abandonment and biosolids disposal are regulated by the United States Environmental Protection Agency. As presented in Table 2 of the Phase 2 EA, any disposal of accumulated biosolids must be performed in accordance with 40 CFR 503. The District may manage these solids through several methods, including processing through the mechanical solids dewatering equipment proposed with the Phase 2 project, land application, incineration, or landfill disposal.

Flood Protection

Comments asserted that the draft EA failed to discuss necessary flood protection for the SBR and RIBs from the 100-year and 500-year flood events. Per Section 51.2 of Circular DEQ-2, treatment works must be protected from physical damage by the 100-year flood Per the FEMA Flood Insurance Rate Map (FIRM) for Flathead County and Incorporated Areas Panel 2280 of 3475, the proposed SBR and RIBs are not located within the 100-year or 500-year flood hazard areas. Based on the information available in the FIRM, the proposed treatment will not be impacted by the 100-year flood possibility.

SBR Operational Reliability

One commenter asserted that SBRs are “highly sensitive to influent variability” which could lead to upsets. The reliability and efficacy of SBRs, like any biological nutrient removal system, are dependent on proper operational oversight. Following construction, at system startup, the treatment system manufacturer will provide training for the District’s wastewater treatment system operators. Additionally, a full operation and maintenance (O&M) manual would be implemented, including standard, alternate, and emergency operating modes for the treatment system and troubleshooting measures. The O&M manual must, at a minimum, include the information required in Circular DEQ-2 Section 25. Operator training and certifications are maintained by MT DEQ. The proposed wastewater treatment system requires a Class 1C wastewater certification, the highest in the state. All operators require continuing education classes to maintain their certifications. An advantage of SBR technology is the ability to adjust treatment cycle times based on real-time data obtained through monitoring probes in the treatment tank to ensure consistent

treatment of varying batch strengths. In DEQ's experience, a well operated SBR would meet the effluent design criteria required to meet the groundwater discharge permit limits. As presented in the Phase 2 EA, to minimize variability in the influent wastewater strength, the project would include a septage equalization storage tank that would provide a more consistent influent strength, reducing variability.

Alternatives Analysis — Scope of DEQ's Review Authority

Several commenters contended that the Phase 2 EA does not adequately analyze alternatives to the proposed action, including different siting and discharge approaches. Representative comments stated: "DEQ should have evaluated off-basin diversion as an alternative to groundwater discharge" and "the EA fails to consider relocating the treatment facility to a location with no connection to Flathead Lake." Some commenters cited the Lake Tahoe and Lake Washington diversion programs as models they assert are relevant to this project.

Theme Response: Alternatives and Scope of DEQ's Review Authority

Under MEPA, DEQ is required to consider reasonable alternatives to the proposed action, but the scope of that obligation is defined by both the applicable rules and the nature of the action. ARM 17.4.603(2)(b) limits DEQ to considering "only alternatives that are realistic, technologically available, and that represent a course of action that bears a logical relationship to the proposal being evaluated." Montana's 2011 MEPA amendments (Senate Bill 233, codified at MCA § 75-1-220) go further, explicitly defining "alternatives analysis" for non-state-sponsored projects as "an evaluation of different parameters, mitigation measures, or control measures that would accomplish the same objectives as those included in the proposed action by the applicant", and expressly providing that for such projects, alternatives analysis "does not include an alternative facility or an alternative to the proposed project itself." For a non-state-sponsored permit action such as this one, the reasonable alternative MEPA requires DEQ to evaluate is therefore the no-action alternative. The no-action alternative was considered and is addressed in this EA. Under no-action, the District would not receive approval for the Phase 2 treatment upgrade, would continue operating under the existing aerated lagoon system, and would not achieve the improved effluent quality required to meet the Phase 1 permit's advanced treatment objectives. Under Montana's MEPA framework for non-state-sponsored projects, the alternatives analysis informs DEQ's review but does not compel the project sponsor to adopt any particular alternative or course of action.

DEQ's authority over facility siting is further bounded by its role under Circular DEQ-2, which establishes technical planning and design standards for public sewage systems. The Phase 2 EA includes a summary of the alternatives analysis performed by the District as part of the PER, in which the District evaluated various alternatives before selecting the proposed project. The proposed action, including decisions about project location, system type, and capacity, is the District's responsibility as project proponent, subject to applicable regulatory requirements. DEQ's role is to evaluate the environmental impacts of the proposed action and to confirm compliance with applicable state laws, rules, and design standards, as well as to evaluate potential alternatives, parameters, mitigation measures, or control measures that would accomplish the same objectives as those included in the proposed action. Within the Alternatives Analysis section of the EA, alternatives were considered and the reasons for their dismissal explained.

Commenters requested that DEQ require evaluation of alternative facility locations. Requiring the District to relocate the facility to a different site would exceed the scope of DEQ's Phase 2 MEPA review authority as specified in MCA § 75-1-201(1)(a)(iv)(C)(I), and is not a basis to deny an application that otherwise meets applicable regulatory standards under DEQ's substantive permitting laws. Local land-use authorities remain responsible for land-use and siting decisions.

Commenters cited successful off-basin diversion programs at Lake Tahoe and Lake Washington as successful models. Whether a fundamentally different regional system, including off-basin diversion, would be appropriate for the Flathead Basin is a policy question, not for DEQ's review of a site-specific application.

Flathead Lake Stewardship and Long-term Water Quality Values

Many commenters expressed values-based support for protecting Flathead Lake as an irreplaceable resource. Representative comments stated: "Flathead Lake is one of the largest natural freshwater lakes in the Western United States and must be protected for future generations" and "we urge DEQ to apply a precautionary approach to any infrastructure that could affect the lake's water quality." These comments do not identify specific analytical deficiencies in the EA requiring a targeted response.

Theme Response: Phase 1 and Phase 2 Relationship to Flathead Lake Water Quality

MEPA requires DEQ to take a hard look at the potential environmental impacts of a proposed action and to consider the importance and sensitivity of affected resources in its significance determination. In evaluating Phase 2, DEQ has done so by ensuring that the proposed treatment upgrades operate within, and are designed to meet, the protective effluent limits and monitoring requirements established under the Phase 1 groundwater discharge permit. DEQ's conclusion that an Environmental Impact Statement is not required reflects its determination that, with the existing permit controls and proposed treatment improvements in place, the Phase 2 project will not cause significant impacts to Flathead Lake's water quality or to the long-term environmental values commenters seek to protect.

Availability of Relevant Documents

Several commenters notified DEQ that they did not believe they had all materials relevant to the Phase 2 draft EA to allow a meaningful and informed comment, including documents related to the Phase 1 discharge permit and to the District's financial planning.

Theme Response: Relevant Documents and ARPA Funded Rate Study

In response, DEQ notes that the Phase 1 EA and permit were open to public comment from December 9, 2024 through February 27, 2025, and a public hearing was held on February 27, 2025 where public comment was also taken. The final decision on the permit was made on April 28, 2025. As discussed through the Phase 2 draft and final EAs and these responses to comments, the decisions at issue in Phase 1 and 2 involved different aspects of the project with different contemplated impacts. The impacts from the proposed groundwater discharge permit were considered in the Phase 1 process, while the Phase 2 process considered the infrastructure construction of the SBR treatment plant and RIBs. No discharge is contemplated by Phase 2 that was not analyzed fully in the Phase 1 process. Because the Phase 1 permit is now final, and because Phase 2 does not re-open the permit process, DEQ does not believe it is appropriate to provide additional time to comment on the Phase 1 materials. However, while the Phase 1 decision is now final, the public may review that decision, including the final EA, permit, and responses to public comments at: https://deq.mt.gov/News/pressrelease-folder/Lakeside-25-04. This posting has been added as a reference in the final EA.

DEQ does not possess the District's rate study referenced by commenters and did not rely on that document or other internal LCWSD budgeting materials in preparing the Phase 2 EA. Information related to District budgeting, rate-setting, or internal financial planning is maintained by the District, and any such records may be requested directly from the District. Several commenters also requested "disclosure of all withheld LCWSD documents" and asserted that DEQ could not lawfully conclude the EA process without securing and disclosing those documents. DEQ disagrees because DEQ did not rely on those documents

in making its conclusions in the Phase 2 EA.

Support for project — septage disposal need and public health

Several commenters expressed support for the Phase 2 project, citing regional septage disposal needs and expected improvements in treatment quality.

Theme Response: Support for Phase 2 EA

DEQ notes these comments expressing support for the Phase 2 project. Because no specific deficiencies or requested changes to DEQ's analysis were identified, no revisions to the EA were made in response to these comments.

Appendix

Memorandum of Understanding

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is a voluntary agreement between the Montana Department of Environmental Quality and the Lakeside Water and Sewer District to determine whether the District's holding ponds are leaking in excess of state design standards.

Recitals

1. The District owns and operates wastewater treatment facilities in Flathead County, including, among other things, aerated treatment lagoons and storage ponds.

2. On February 16, 2024, DEQ received a formal complaint from the public that the District's storage ponds were leaking. During the course of DEQ's investigations into those complaints, the District provided DEQ with a leakage analysis provided by Jackola Engineering for all four ponds that was conducted in 2019. The analysis showed that the pond levels were monitored over a 6-day period and all pond seepage values were negative, suggesting that pond evaporation exceeded pond seepage and that the ponds were therefore not leaking. DEQ determined at the time that this analysis was sufficiently credible and, given lack of any other evidence, determined that further investigation was not necessary and closed the complaint.

3. On October 14, 2025, DEQ received another formal complaint from the public that the District's storage ponds were leaking. In investigating this complaint, DEQ conducted an on-site inspection that found no evidence of excess leakage from the ponds. In light of its previous closure and on-site inspection, DEQ found that there was no evidence of leakage and closed the complaint.

4. On April 29, 2026, the complainant asked that DEQ re-open the complaint. Additional information was provided that the District's storage ponds are leaking in excess of state law, relying on ten years of annual totalized influent and effluent flow data for the existing treatment system. While discrepancies between influent and effluent data may be caused by excess leakage, such discrepancies may also be attributable to measurement errors, different rates of evaporation or precipitation, and other factors. Based on the agency's review of the submitted data, DEQ has determined that further investigation is appropriate.

5. While these new allegations of leakage warrant further investigation, it has not been proven that the District's ponds are leaking in excess of state law or that the District has violated any statute or regulation. To date, all of DEQ's investigations have determined that no evidence of violation exists.

6. The appropriate method of leak-testing a pond in Montana is standard 93.422 of Circular DEQ-2, 2018 edition, which requires, among other things, that the test must be completed at the maximum operating depth and must be at least 14 days in length. The only time that the District's ponds are at maximum operating depth is in the spring. Accordingly, any test completed before Spring 2027 would fail to fully comply with the requirements of Circular DEQ-2.

Agreement

For the reasons stated above, the District agrees to conduct a leakage test of its storage ponds in Spring 2027 that complies with the requirements of Circular DEQ-2, including that the

ponds must be at maximum operating depth, that the test must be for a minimum of 14 days for each of the ponds tested, and that the procedure of the test follows the technical requirements set forth in standard 93.422 The District agrees to inform DEQ before conducting the test and to provide DEQ with the results as soon as they are available. The leakage test results must be certified by a professional engineer registered in the State of Montana.

The District understands that leakage may not exceed six inches per year and that excess leakage may constitute a violation of Title 75, chapters 5 and 6, MCA, and associated administrative rules and circulars. If excess leakage is discovered, the District agrees to promptly repair or replace the liners as necessary and in accordance with Title 75, chapter 6, and DEQ-2. The District further understands that a failure to conduct such a leakage test as described in this MOU, or a failure to take corrective action if excess leakage is discovered, may subject the District to an enforcement action by DEQ.

This MOU is for the sole and exclusive benefit of the parties and does not create a contractual relationship with, or a cause of action in favor of, any third party.

Lindsey Krzyzanowska
for Department of Environmental Quality

June 9, 2026
Date

for Lakeside Water and Sewer District

June 9, 2026
Date