State Revolving Fund Loan Programs

Drinking Water, Wastewater, Nonpoint Source

ENVIRONMENTAL ASSESSMENT
AND
FINDING OF NO SIGNIFICANT IMPACT

BROWN COUNTY WATER UTILITY, INC.
Water System Improvements Project
Amendment 1
SRF PROJECT DW 13 13 07 02

DATE: March 17, 2016

TARGET PROJECT APPROVAL DATE: April 18, 2016

I. INTRODUCTION

The above entity has applied to the Drinking Water State Revolving Fund (SRF) Loan Program for a loan to finance all or part of the drinking water project described in the accompanying Environmental Assessment (EA). As part of facilities planning requirements, an environmental review has been completed which addresses the project's impacts on the natural and human environment. This review is an amendment to an EA dated November 18, 2015 that remains the same, the summarized changes are in the attached EA, which can also be viewed in color at http://www.in.gov/ifa/srf/.

II. PRELIMINARY FINDING OF NO SIGNIFICANT IMPACT (FNSI)

The SRF Drinking Water Program has evaluated all pertinent environmental information regarding the proposed project and determined that an Environmental Impact Statement is not necessary. Subject to responses received during the 30-day public comment period, and pursuant to Indiana Code 4-4-11, it is our preliminary finding that the construction and operation of the proposed facilities will result in no significant adverse environmental impact. In the absence of significant comments, the attached EA shall serve as the final environmental document.

III. COMMENTS

All interested parties may comment upon the EA/FNSI. Comments must be received at the address below by the target approval date above. Significant comments may prompt a reevaluation of the preliminary FNSI; if appropriate, a new FNSI will be issued for another 30-day public comment period. A final decision to proceed, or not to proceed, with the proposed project shall be effected by finalizing, or not finalizing, the FNSI as appropriate. Comments regarding this document should be sent within 30 days to:

April Douglas
Senior Environmental Manager
State Revolving Fund
100 N. Senate Ave. IGCN 1275
Indianapolis, IN 46204
317-234-7294; adouglas@ifa.in.gov

ENVIRONMENTAL ASSESSMENT

I. PROJECT IDENTIFICATION

Project Name and Address:	**Amendment 1** **Brown County Water Utility, Inc.** **5130 North State Road 135** **Morgantown, IN 46160**
SRF Project Number:	DW 13 13 07 02
Authorized Representative:	Ben Phillips, President, Board of Directors

II. PROJECT LOCATION

The projects at the following locations changes have been modified from the original Brown County Water Utility, Inc. (BCWU) PER.

- The Raw Water Transmission main is located on Morgantown Quad map in Morgan County, Jackson Township in T 11N, R 2E, and sections 27-28, see Figure 1;
- Hornettown Booster Station is located on the Beanblossom Quad map in Brown County, in Hamblen Township, T 10 N, R 3E, Section 5, see Figure 2;
- Cottonwood Valve Vault is located on the Morgantown Quad in Brown County, in Jackson Township, T 10N, R 2E, Section 9, see Figure 3;
- Mt. Nebo lift station is located on the Story Quad map in Brown County, in Van Buren Township, T 7N, R 3E, Section 2, see Figure 4.

III. PROJECT NEED AND PURPOSE

The Brown County Utility Inc. system consists of a groundwater supply, storage tanks, booster station and distribution system. The system requires upgrades to continue to meet the public health needs of the service area. The project proposed in the Environmental Assessment (EA) dated November 18, 2015 remains the same.

IV. PROJECT DESCRIPTION

The original locations for the Raw Water Transmission Main, Hornettown Booster Station, and the Cottonwood Valve Vault were revised because easement acquisition could not be finalized. The original location for the Knob Hill Booster Station was revised because the original proposed site was determined to be unsuitable. The existing Mt. Nebo booster station will be abandoned and the equipment rehabilitated for the Knob Hill Booster station.

V. Estimated Project Costs, Affordability and Funding

The Brown County Water Utility, Inc. will finance the project with a loan for **$8,113,000** from the State Revolving Fund Loan Program for a 20-year term at an annual fixed interest rate to be determined at loan closing.

VI. Description of Evaluated Alternatives

The original location alternatives for the Hornettown Road Booster Station and the Cottonwood Valve Vault were rejected because easement acquisition could not be finalized. The original location for Knob Hill Booster Station became unsuitable for the project.

The **"No Action"** alternative is not practical, environmentally sound nor economical. The BCWU system is aging, and reaching the point where it is necessary to replace certain components of the original water system. Additionally, these projects will solve current pressure problems, eliminate leaking, protect public health, reduce water loss, and improve looping in the distribution system.

Replacement of water service lines, main to meter, and replacement of residential water meters with new automatic meter reading (AMR) meters, will reduce maintenance and repair costs, reduce water loss, improve protection of public health and customer service, as well as improve meter reading accuracy, reduce meter reading labor costs, and improve safety of meter reading staff

VII. Environmental Impacts of the Feasible Alternatives

A. Direct Impacts of Construction and Operation

Disturbed/Undisturbed Land: The Knob Hill Booster Station and Cottonwood Valve Vault were subject to archaeological review which was approved by SHPO on November 17, 2015. The new location for the Hornettown Booster Station was approved by SHPO on February 29, 2016. Mt. Nebo Booster Station was sent to SHPO for review on February 18, 2016.

Structural Resources: Construction and operation of the project will not alter, demolish or remove historic properties. If any visual or audible impacts to historic properties occur, they will be temporary and will not alter the characteristics that qualify such properties for inclusion in or eligibility for the National Register of Historic Places. The SRF's finding pursuant to Section 106 of the National Historic Preservation Act is: "*no historic properties affected.*"

Surface Waters: The projects will not adversely affect waters of high quality listed in 327 IAC 2-1-2(3), exceptional use streams listed in 327 IAC 2-1-11(b), Natural, Scenic and Recreational Rivers and Streams listed in 312 IAC 7-(2), Salmonid Streams listed in (327 IAC 2-1.5-5(a)(3), or waters on the Outstanding Rivers list. The proposed water main replacement projects will include stream crossings installed via open-cut and bore methods. All comments from the Indiana Department of Natural Resources and the U.S. Fish and Wildlife Service regarding these stream crossings will be implemented.

Wetlands: For the Raw Water Main, wetlands impacts will be temporary as these areas will be bored to reduce environmental impacts to the designated wetlands. Mitigation measures to lessen and compensate for wetland impacts cited in comment letters about the project from the Indiana Department of Natural Resources and the U.S. Fish and Wildlife Service will be implemented.

Floodplain: The project will not include dredge or fill in the floodway without a permit from IDNR Division of Water. No change in grade will occur within the floodplain.

Groundwater: The project will not impact a drinking water supply or sole source aquifer.

Plants and Animals: Minor tree removal is expected at the Knob Hill Booster Station and the Hornettown Road Booster Station.

Prime Farmland: The project will not convert prime farmland.

Air Quality: Construction activities may generate some noise, fumes and dust, but should not significantly affect air quality.

Open Space and Recreational Opportunities: The project will neither create nor destroy open space or recreational opportunities.

Lake Michigan Coastal Program: The project will not affect the Lake Michigan Coastal Zone.

National Natural Landmarks: Construction and operation of the proposed project will not affect National Natural Landmarks.

B. Indirect Impacts

Brown County's Preliminary Engineering Report (PER) states:

The utility will ensure that future drinking water infrastructure projects connecting to SRF-funded facilities will not adversely affect wetlands, wooded areas, steep slopes, archaeological/historical/structural resources, or other sensitive environmental resources. The utility will require new drinking water infrastructure projects to be constructed within the guidelines of the U.S. Fish and Wildlife Service, IDNR, IDEM, and other environmental review authorities.

C. Comments from Environmental Review Authorities

These amendments were sent to the US Fish and Wildlife Service and Indiana Department of Natural Resources Environmental Unit on February 29, 2016. A response has not been received at the time of this publication.

A memo has been sent to Indiana Department of Natural Resources Department of Archaeological and Historic Preservation regarding Mt. Nebo Booster Station location, but a response has not been received at the time of this publication.

In correspondence dated February 29, 2016 regarding the Hornettown Booster Station, the Indiana Department of Natural Resources Division of Historic Preservation and Archaeology stated:

Pursuant to IC 13-18-21 and 327 IAC 14 and Section 106 of the National Historic Preservation Act (54 U.S.C. § 306108) and 36 C.F.R. Part 800, the Indiana State Historic Preservation Officer ("Indiana SHPO") is conducting an analysis of the materials dated and received by the Indiana SHPO on February 8, 2016, for the above indicated project in Hamblen Township, Brown County, Indiana.

Based on our analysis, it has been determined that no historic properties will be altered, demolished or removed by the proposed project.

If any prehistoric, or historic archaeological artifacts or human remains are uncovered during construction, demolition, or earthmoving activities, state law (Indiana Code 14-21-1-27 & 29) requires that the discovery must be reported to the Department of Natural Resources within two (2) business days. In that event, please call (317) 232-1646. Be advised that adherence to Indiana code 14-21-1-27 & 29 does not obviate the need to adhere to applicable federal statutes and regulations, including but not limited to 36 C.F.R. 800.

VIII. Mitigation Measures

Brown County's PER states:

Precautions shall be taken during construction to prevent erosion and sediment transport. Project plans shall include requirements for construction sequencing and both temporary and permanent erosion control measures. All disturbed areas shall be restored to their pre-construction condition. All vegetated land shall be permanently seeded and maintained as necessary until vegetation growth is established.

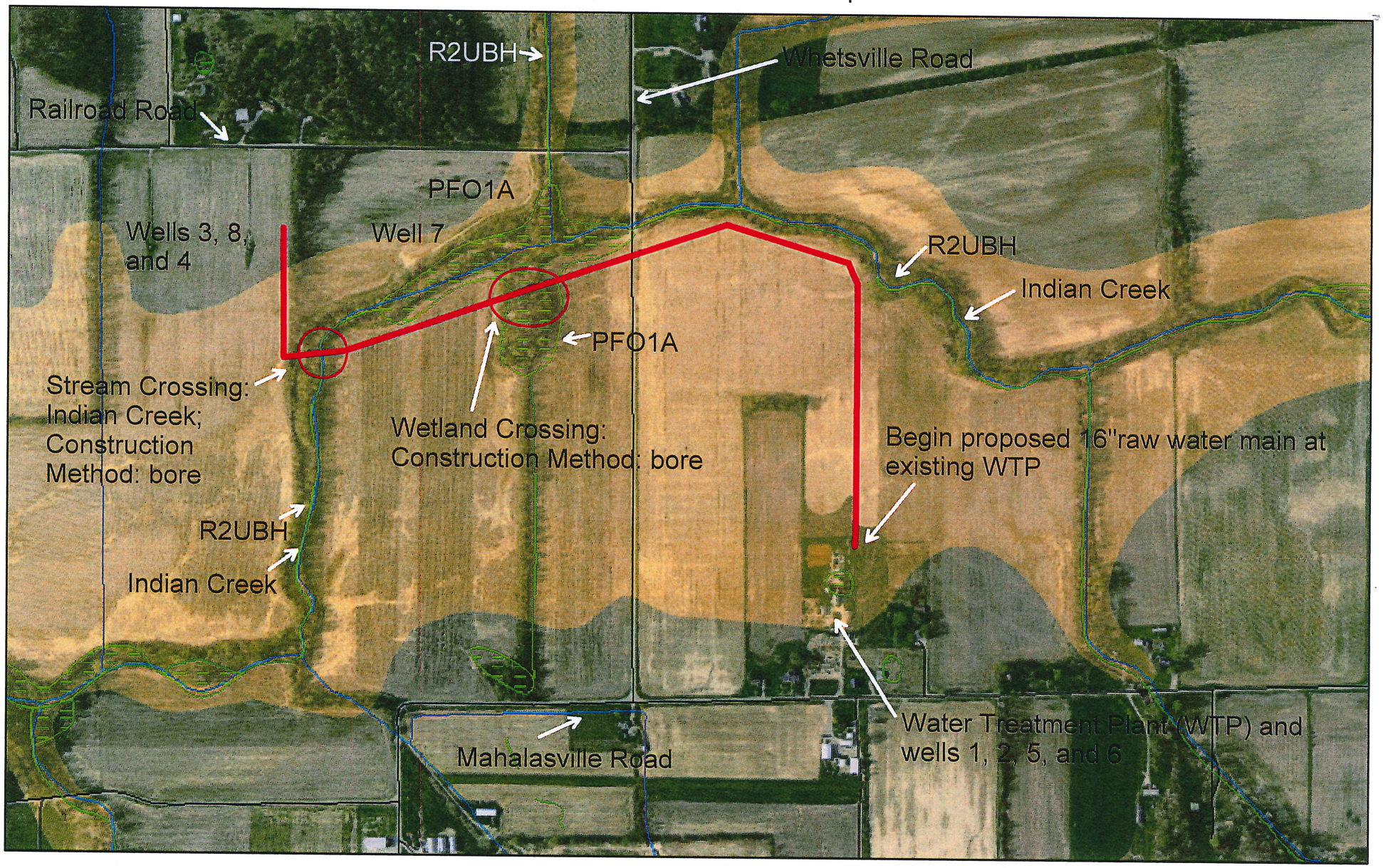
A rule 5 permit is required through IDEM for Construction/Stormwater Pollution Prevention. The County SWCD will routinely inspect the construction area to insure that appropriate measures are taken to minimize erosion and sediment transport off-site. All mitigating measures recommended by reviewing authorities shall be implemented for this project.

IX. Public Participation

A public notice was published in the Brown County Democrat on March 9, 2016. No written comments were received during the 5-day comment period following the public notice.

Figure 1 : Raw Water Main Replacement - Floodplain and Wetland Map

North



May 14, 2014

Wetland Lines
Streams (NHD)
Lakes (NHD)
Rivers - Outstanding (NRC)
Rivers (Local-Resolution NHD)
Streams (Local-Resolution NHD)
Roads 2005 (INDOT)

1:8,000

0 0.05 0.1 0.2 mi

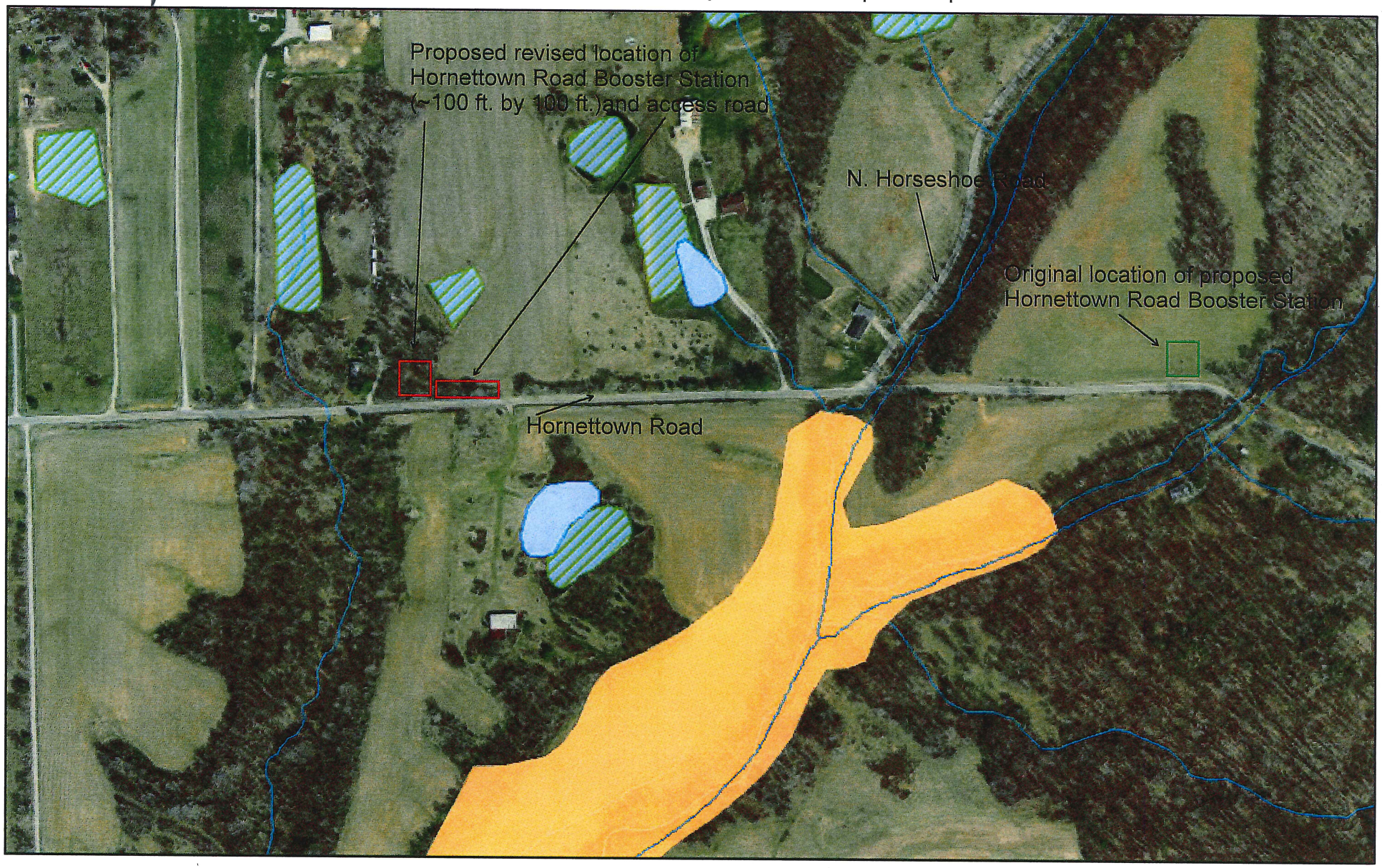
0 0.1 0.2 0.4 km

U.S. Geological Survey

Revised Nov 6, 2015

Figure 2:

Brown County Water Utility - Hornettown Road Booster Station - Wetland and Floodplain Map



February 2, 2016

Streams (NHD)

Lakes (NHD)

Floodplains - FIRM (May 2015)

0.2% Risk (aka 500-year Flood Zone)

1% Risk (aka 100-yr Flood Zone)

Floodway

Streams (Local-Resolution NHD)

Wetlands NWI (USFWS)

1:4,000

0 0.0325 0.065 0.13 mi

0 0.05 0.1 0.2 km

U.S. Geological Survey
U.S. Fish and Wildlife Service (USFWS),National Standards and Support

NORTH

Figure 3: Proposed Cottonwood Vault - Floodplain and Wetland Map

NORTH

July 14, 2015

- Historic Wetlands NWI (USFWS)
- Wetlands NWI (USFWS)
- Wetlands Project Metadata NWI (USFS)
- Streams (NHD)
- Streams (Local-Resolution NHD)
- Stream Features
- Rivers (NHD)
- Rivers - Outstanding (NRC)
- Rivers (Local-Resolution NHD)

1:2,000

0 0.015 0.03 0.06 mi

0 0.0275 0.055 0.11 km

U.S. Geological Survey
U.S. Fish and Wildlife Service (USFWS),National Standards and Support

Revised July 14, 2015

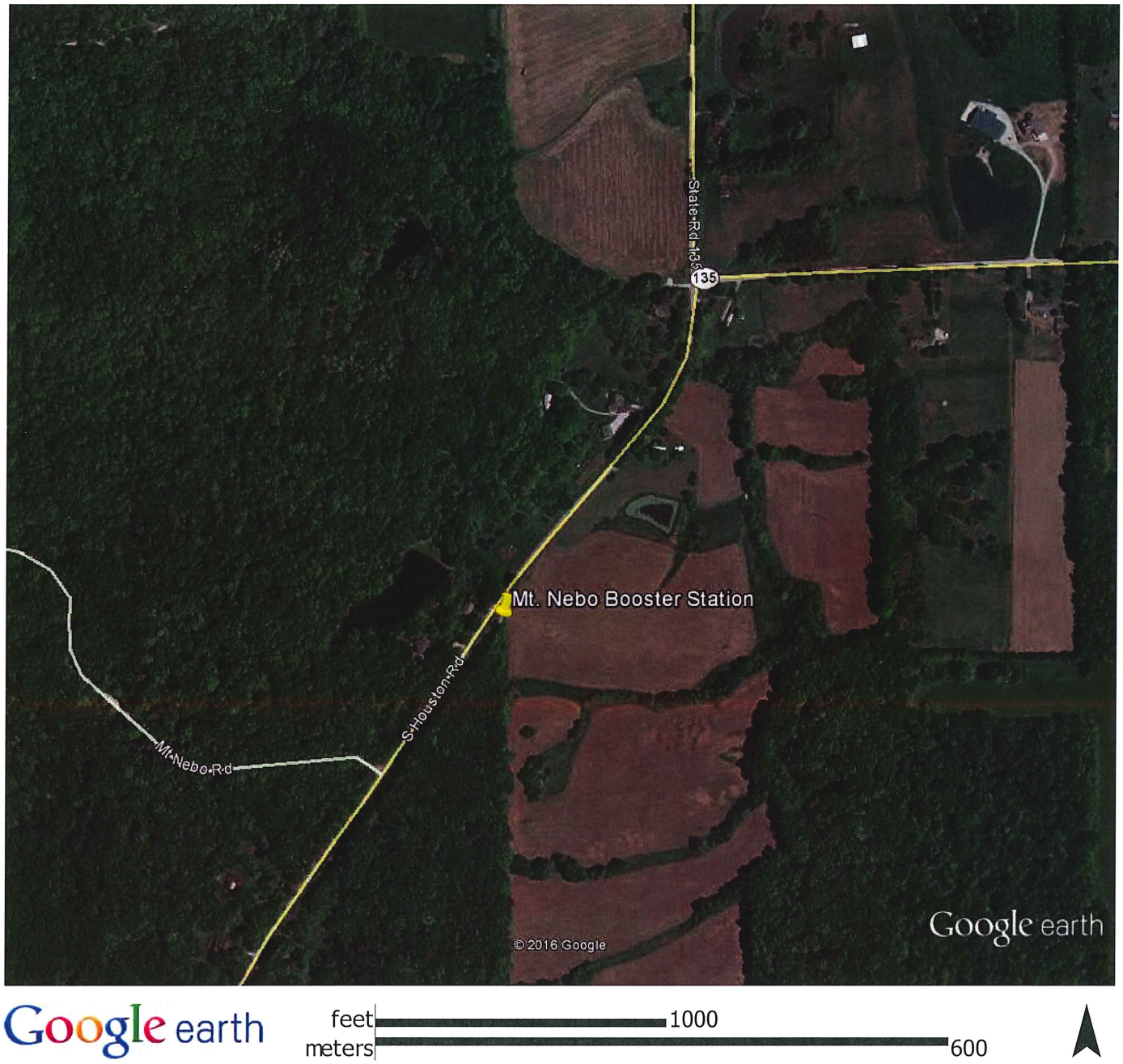


Figure 4: Location of Mt. Nebo Booster Station that will be removed, refurbished and installed at the new Knob Hill Booster Station.