



State Revolving Fund Loan Programs

Drinking Water, Clean Water, Nonpoint Source

ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

CITIZENS ENERGY GROUP ATTACHMENT O- MATERIAL LAYDOWN YARD SRF PROJECT DW 24 70 06 05

DATE: August 4, 2025

PUBLIC COMMENTS DUE BY: September 3, 2025

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 summarized 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 (FONSI)

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 5-1.2-3, 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/FONSI. Comments must be received at the address below by the target approval date above. Significant comments may prompt a reevaluation of the preliminary FONSI; if appropriate, a new FONSI 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 FONSI as appropriate. Comments regarding this document should be sent within 30 days to:

**Jenni Curry
Environmental Section Manager
State Revolving Fund
100 N. Senate Ave. IGCN 1275
Indianapolis, IN 46204
463-261-6943
jecurry@ifa.in.gov**

ENVIRONMENTAL ASSESSMENT

I. PROJECT IDENTIFICATION

Project Name and Address: Attachment O – Material Laydown Yard
Citizens Energy Group
2150 Dr. Martin Luther King Jr. Street
Indianapolis, IN Zip

SRF Project Number: **DW 24 70 06 05**

Authorized Representative: Jeffrey Harrsion, President and CEO

II. PROJECT LOCATION

The proposed project is located in Hamilton County, Westfield Washington Township, Westfield 24k USGS Quadrangle, Township 18N, Range 3E, and Section 8.

III. PROJECT NEED AND PURPOSE

In concert with Lebanon Utilities (LU), an engineering plan has been developed for Citizens Water to provide an additional water supply of up to 25 million gallons per day (MGD) to Lebanon Utilities to support the regional growth of the City of Lebanon (Lebanon). The Citizens-Lebanon Water Supply program consists of new water mains, booster stations, tanks, and treatment plant upgrades. Regarding sources, Citizens Water's robust regional water system is composed of 10 water treatment plants along with natural water resources including the White River, Fall Creek, four water supply reservoirs (Eagle Creek, Geist, Citizens, and Morse), and groundwater wells.

IV. PROJECT DESCRIPTION

The proposed material laydown area is located immediately north of the existing Westfield Wastewater Treatment Plant. The project will serve as a central material storage and construction staging/material laydown area for the Citizens-Lebanon Water Supply Program. This area provides adequate space for both storage of construction materials and can also be used for construction equipment staging and field location offices. The project will consist of constructing a landscape berm along the western and northern boundaries, leveling the site, stabilizing the subgrade such that it is suitable for construction traffic and storage, and related drainage and site security items.

V. ESTIMATED PROJECT COSTS, AFFORDABILITY, AND FUNDING

The total cost of this project is estimated to be approximately \$1,630,000. Citizens Energy Group intends to finance the project with a loan from the Drinking Water SRF Loan Program for a term and annual fixed interest rate to be determined at loan closing. Monthly user rates and charges may need to be analyzed to determine if adjustments are required for loan repayment.

VI. DESCRIPTION OF EVALUATED ALTERNATIVES

The **"No Action"** alternative includes continuing current operations under existing conditions. The risk posed by not taking action is the inability to provide adequate water supply as required for the Citizens Lebanon Water Supply program.

Alternative 1 – Multiple Material Laydown Sites: An evaluation was done to compare the cost and relative schedule for smaller intermittent sites along the linear alignments. These intermittent sites would be approximately 2 acres and spaced along each project alignment approximately 3 miles apart. Based on planned alignments, approximately 22 sites would be needed to be established and restored. Due to this reason and additional disturbance, this alternative was dismissed from further consideration.

Alternative 2 – Single Material Laydown Site: This alternative will construct a material laydown area located immediately north of the existing Westfield Wastewater Treatment Plant. This area will serve as a central material storage and construction staging/material laydown area for the Citizens-Lebanon Water Supply Program. This area provides adequate space for both storage of construction materials and can also be used for construction equipment staging and field location offices. **This is the chosen alternative.**

VII. ENVIRONMENTAL IMPACTS OF THE FEASIBLE ALTERNATIVES

A. Direct Impacts of Construction and Operation

Disturbed/Undisturbed Land: Work related to the construction of the material laydown yard will occur in disturbed rights-of-way, adjacent to and within roadways, alleys and existing utility trenches. Areas have been either been previously disturbed by previous construction activity or part of an archaeological investigation.

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 project will not adversely affect outstanding state resource waters listed in 327 IAC 2-1.3-3(d), exceptional use streams listed in 327 IAC 2-1-11(b), Natural, Scenic and Recreational Rivers and Streams listed in 312 IAC 7-(2), or Salmonid Streams listed in (327 IAC 2-1.5-5(a)(3) or streams on the Outstanding River List for Indiana.

Wetlands: The project will not impact 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: The proposed project items will be implemented to minimize impact to non-endangered species and their habitat. Mitigation measures cited in comment letters from the Department of Natural Resources and the U.S. Fish and Wildlife Service will be implemented.

Prime Farmland: The project will 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

Citizens Energy Group's PER states: *It will be ensured, through local zoning laws, the authority of its council or planning commission, or other means, that future development and utility projects connecting to SRF-funded facilities will not adversely affect wetlands, wooded areas, steep slopes, archaeological/historical/structural resources, or other sensitive environmental resources. New development and utility projects will be required to be constructed within the guidelines of the USFWS, IDNR, IDEM, and other environmental review authorities.*

C. Comments from Environmental Review Authorities

In correspondence dated July 30, 2025, the Indiana Department of Natural Resources Division of Historic Preservation and Archaeology stated:

Pursuant to Indiana Code 5-1.2-10, 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 July 30, 2025, for the above indicated project in Hamilton County, Indiana.

We concur with the archaeological report that sites 12H2076 through 12H2079 do not appear eligible for inclusion in the National Register of Historic Places. Therefore, no further archaeological investigations appear necessary. The site forms must be submitted into the Shaard database. 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 and 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 and 29 does not obviate the need to adhere to applicable federal statutes and regulations, including but not limited to 36 C.F.R. 800.

In correspondence dated July 31, 2025, the United States Fish and Wildlife Service stated:

This responds to your email requesting our concurrence on the Citizens Energy Group Material Laydown Area in Westfield in Hamilton County, Indiana. The project includes the installation of an earthen berm and site fencing of an approximately 20 acre parcel for use as a material laydown area.

These comments have been prepared under the authority of the Fish and Wildlife Coordination Act (16 U.S.C. 661 et. seq.) and are consistent with the intent of the National Environmental Policy Act of 1969, the Endangered Species Act of 1973, and the U. S. Fish and Wildlife Service's Mitigation Policy.

There may be suitable summer habitat for the Federally endangered Indiana bat and northern long-eared bat present throughout the action area. The project will not require the removal of forested habitat however it will increase lighting near a forested area. Based on a review of the information you provided, the U.S. Fish and Wildlife Service concurs that the proposed project is not likely to adversely affect any Federally listed Indiana bat and northern long eared bat. This precludes the need for further consultation on this project as required under Section 7 of the Endangered Species Act of 1973, as amended. However, should new information arise pertaining to project plans or a revised species list be published, it will be necessary for the Federal agency to reinstitute consultation.

In correspondence dated July 30, 2025, the Department of Natural Resources Environmental Unit stated:

The Natural Heritage Program's data have been checked. The State special concern Badger (Taxidea taxus) has been documented within 0.5 mile of the project area. Badgers are a wide-ranging species that prefer an open, prairie-type habitat, with Indiana being at the eastern edge of their natural range. The range of the Badger continues to expand as a result of land-use changes from forest to farmland and open pastureland. Impacts to the Badger or its preferred habitat are unlikely as a result of this project.

Fish and Wildlife Comments:

Avoid and minimize impacts to fish, wildlife, and botanical resources to the greatest extent possible, and compensate for impacts. The following are recommendations that address potential impacts identified in the proposed project area:

- 1. Revegetate all bare and disturbed areas that are not currently mowed and maintained with a mixture of grasses (excluding all varieties of tall fescue) and legumes as soon as possible upon completion; turf-type grasses (including low-endophyte, friendly endophyte, and endophyte free tall fescue but excluding all other varieties of tall fescue) may be used in currently mowed areas only.*
- 2. Minimize and contain within the project limits all brush clearing.*
- 3. Appropriately designed measures for controlling erosion and sediment must be implemented to prevent sediment from leaving the construction site; maintain these measures until construction is complete and all disturbed areas are stabilized.*
- 4. If erosion control blankets are used, they shall be heavy-duty, biodegradable, and net free or use loose-woven/Leno-woven netting to minimize the entrapment and snaring of small-bodied wildlife such as snakes and turtles (follow manufacturer's recommendations for selection and installation); seed and apply mulch on all other disturbed areas.*

In correspondence dated July 31, 2025, the Natural Resources Conservation Service stated:

The submittal for the Citizens Energy Group Material Laydown Area project in Hamilton County, Indiana, as referred to in your letter received May 15, 2025, will cause a conversion of prime farmland.

VIII. MITIGATION MEASURES

Citizens Energy Group's PER states:

Construction activities are expected to take place during standard working hours. Any night work will be considered on a case-by-case basis. If night work occurs, mitigation measures will be put in place to limit light and noise impacts.

Adequate erosion control measures will be practiced on-site during all construction activities. Mitigation measures to be used at the site may include, but are not limited to, the following:

- Implementing appropriate erosion control measures, such as sediment basins, inlet protection, rock check dams, rip-rap, seeding, mulching and erosion control mats;*
- Restoring and stabilizing drainage systems and patterns as soon as possible;*
- Avoiding tracking construction debris and soil onto roadways;*
- Wetting areas of exposed soil as needed to control dust;*
- Locating on-site equipment fueling, repair, and maintenance areas away from drainage courses and stormwater structures;*
- Recycling wastes such as grease, used oil, used oil filters, antifreeze, cleaning solutions, automotive batteries, and hydraulic/transmission fluids, and providing secondary containment/covers for these materials if stored on site;*
- Properly disposing of used oils, fluids, and lubricants off-site;*
- Using only watertight dumpsters for on-site debris collection and providing regular removal of accumulated waste;*
- Collecting trash from the site often since erosion control devices tend to collect debris;*
- Inspecting the erosion control devices at least once per week and after each storm event to ensure proper operation;*
- Covering and storing paints and solvents in their appropriate containers on a previously disturbed or paved level site.*




IX. PUBLIC PARTICIPATION

A properly noticed public hearing was held on September 25, 2024, at 8 am in the Citizens Energy Group Board Room located at 2150 Martin Luther King, Jr. Street, Indianapolis, IN 46202. Four members of the public expressed concerns during the hearing. Those comments were heard and recorded. Five written comments were received following the meeting. All comments were responded to in a timely manner.

Additionally, a properly noticed public comment period was held from December 17, 2024, through January 6, 2025. No comments were received during this period.

April 2025

Material Laydown Area

-  Berm
-  Fence
-  Project Boundary

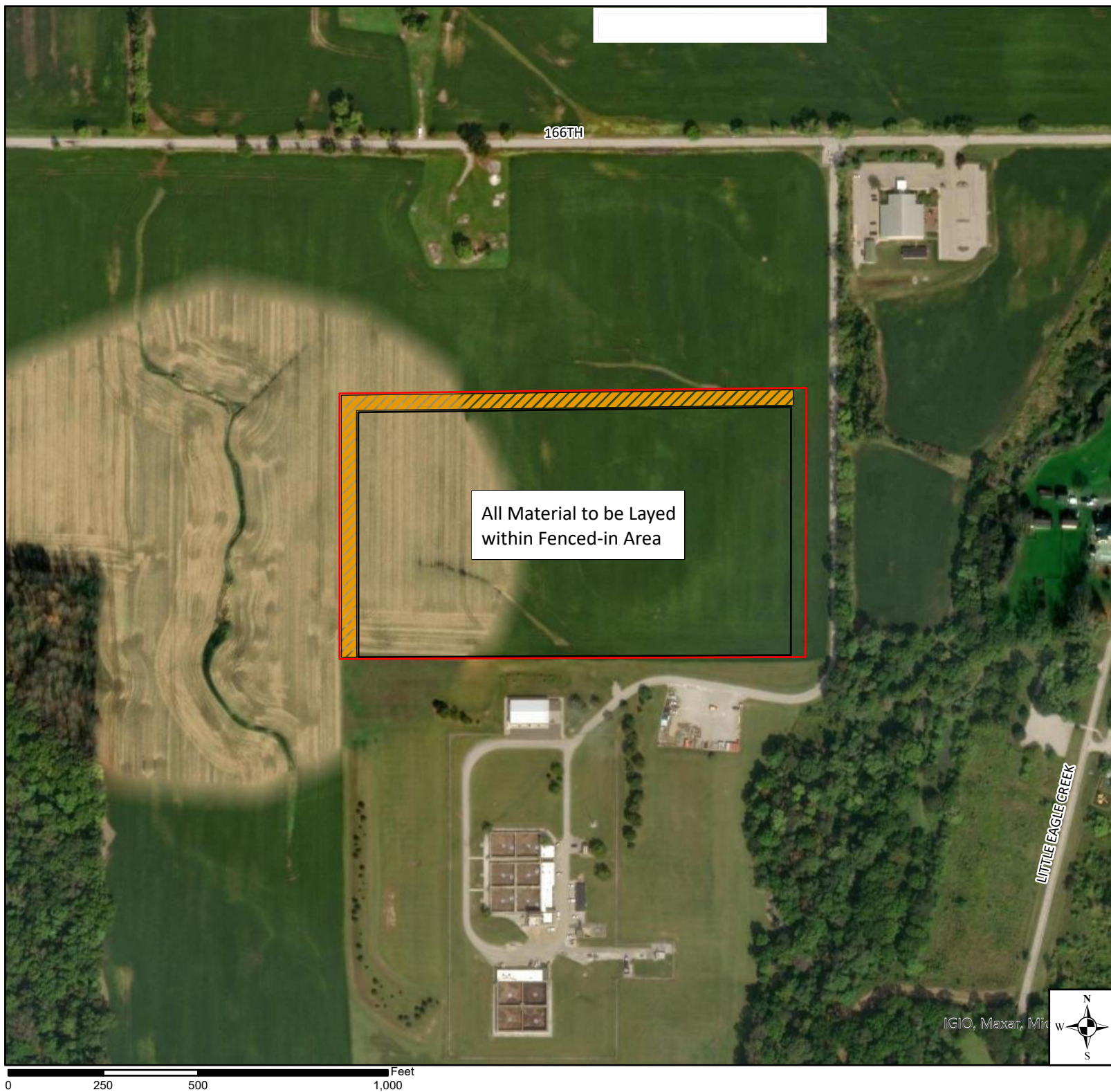


Figure 1
Project Location Map
Citizens-Lebanon Water
Supply Program
Material Laydown Area