



## State Revolving Fund Loan Programs Drinking Water, Wastewater, Nonpoint Source

### PRELIMINARY DECISION OF CATEGORICAL EXCLUSION

TO ALL INTERESTED CITIZENS, ORGANIZATIONS AND GOVERNMENT AGENCIES:

**CITIZENS WATER AUTHORITY  
DIGINDY TUNNEL SYSTEM  
CONSTRUCTION PHASE ADMINISTRATION, ENGINEERING AND INSPECTION  
SRF Project WW 16 27 49 01**

**Date: September 14, 2016**

Pursuant to IC 4-4-11, the State Revolving Fund (SRF) Loan Program has determined that the project described here and in the Citizens Energy Group's Preliminary Engineering Report will have no substantial negative environmental impact. Therefore, the SRF is issuing a preliminary decision of Categorical Exclusion from the requirements of substantive environmental review.

*How were environmental issues considered?*

The National Environmental Policy Act requires agencies disbursing Federal funds to include environmental factors in the decision making process. A summary of the project is attached for your review. The SRF's preliminary review has found that the proposed project does not require the preparation of either an Environmental Assessment or an Environmental Impact Statement.

*Why is additional environmental review not required?*

Our environmental review has concluded that significant environmental impacts will not result from the proposed action.

*How do I submit comments?*

Comments can be submitted to:

April Douglas  
Senior Environmental Manager  
SRF Programs  
317-234-7294  
adouglas@ifa.in.gov

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## CATEGORICAL EXCLUSION

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### I. PROJECT IDENTIFICATION

Project Name and Address: DigIndy Tunnel System Construction Phase  
Administration, Engineering and Inspection  
Citizens Water Authority  
2020 N. Meridian St.  
Indianapolis IN 46202

SRF Project Number: WW 16 27 49 01

Authorized Representative: Jeff Harrison, President and CEO  
John Brehm, Senior Vice President and CFO

### II. PROJECT LOCATION

This project will not require construction activity.

### III. PROJECT NEED AND PURPOSE

The project entails administration, engineering and inspection services during the construction phase of the DigIndy tunnel system. Citizens Water Authority is implementing the DigIndy project as part of the City of Indianapolis's Long Term Control Plan. The DigIndy project is a nearly 28-mile long network of 18-foot diameter deep rock tunnel built 250-feet below grade that aims to protect environmental and human health by reducing the amount of contaminants and pollutants discharged into Marion County waterways.

### IV. ESTIMATED PROJECT COSTS, AFFORDABILITY AND FUNDING

Total contract amount is \$50,853,300. Citizens Water Authority will finance the project with a loan from the SRF Loan Program for a 20-year term at an 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.

### V. ENVIRONMENTAL IMPACTS OF THE FEASIBLE ALTERNATIVES

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 Preservation Act is: "no historic properties affected."

### VI. PUBLIC PARTICIPATION

A properly noticed public hearing was held on September 6, 2016 at 1 pm at 2020 N. Meridian St, Indianapolis, IN 46202. There were no questions on this project during the hearing. No written comments were received in the 5-day period following the hearing for this project.