ENVIRONMENTAL ASSESSMENT
AND
FINDING OF NO SIGNIFICANT IMPACT

CITY OF SCOTTSBURG
Wastewater Treatment Plant Project
SRF PROJECT WW 18 04 72 01

DATE: October 16, 2019
TARGET PROJECT APPROVAL DATE: November 15, 2019

I. INTRODUCTION

The above entity has applied to the Wastewater State Revolving Fund (SRF) Loan Program for a loan to finance all or part of the Wastewater project described in the accompanying Environmental Assessment (EA). As part of facilities planning requirements, an environmental review has been completed which addresses the projects 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 (FNSI)

The SRF Wastewater 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/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
Environmental Review Coordinator
State Revolving Fund
100 N. Senate Ave. IGCN 1275
Indianapolis, IN 46204
317-234-7294
adouglas@ifa.in.gov
I. Project Identification

Project Name and Address: Wastewater Treatment Plant Project
City of Scottsburg
2 East McClain Avenue
Scottsburg, IN 47111

SRF Project Number: WW 18 04 72 01

Authorized Representative: Mayor William H. Graham

II. Project Location

The proposed wastewater treatment plant project will be located in Scott County, Vienna civil township on the Scottsburg 24K USGS Quadrangle in 3N, 7E sections 17 and 20. See Figure 1.

III. Project Need and Purpose

Treatment plant improvements are needed in order to achieve compliance with current National Pollutant Discharge Elimination System requirements. In 2014, the City of Scottsburg initiated a program to clean, televise and flow monitor the collection system within the city’s incorporated boundary. Results of these investigations suggest that excessive Inflow & Infiltration (I&I) occurs during wet weather events.

IV. Project Description

The proposed project will address the hydraulic overload condition of the treatment system and includes the construction of a new wastewater treatment plant. The new treatment plant will include the construction of an oxidation ditch, headworks, plant lift station and chemical treatment system for the removal of phosphorus.

Portions of the existing treatment plant will be repurposed and updated to work with the proposed wastewater treatment plant (WWTP). Existing digesters will be updated with the addition of fine bubble diffusers. The existing phosphorus removal equipment will be kept and installed in a new chemical feed building. Most of the existing wastewater treatment plant will be abandoned and future plans include filling in the existing SBR tanks located at the plant.
V. ESTIMATED PROJECT COSTS, AFFORDABILITY AND FUNDING

A. Selected Plan Estimated Cost Summary

<table>
<thead>
<tr>
<th>Wastewater Treatment Plant Improvements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative and Legal</td>
<td>$162,760</td>
</tr>
<tr>
<td>Engineering Fees and Design</td>
<td>861,374</td>
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<tr>
<td>Construction</td>
<td>121,476</td>
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<tr>
<td>Other</td>
<td>1,607,400</td>
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<tr>
<td>Project Inspection</td>
<td>425,165</td>
</tr>
<tr>
<td><strong>Non-Construction Total</strong></td>
<td><strong>$3,178,175</strong></td>
</tr>
</tbody>
</table>

**Construction and Equipment Sub-Total**                                      $11,043,250

Contingency                                                               552,163

**WWTP Total Estimated Project Cost**                                         $14,773,588

B. The total cost of these projects is estimated to be approximately $14,773,588. It is anticipated by the city of Scottsburg that the U.S. Department of Commerce Economic Development Administration will contribute $3,474,755 towards this project. The City of Scottsburg will finance the remainder of the project with a loan from the State Revolving Fund Loan Program for approximately $11,298,833 for a term and annual fixed interest rate to be determined at loan closing. The actual loan amount will depend on the bids received. 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 is not practical, environmentally sound nor economical.

**Optimum operation/integration of existing facility:** Continuing with the existing SBR system will result in no increase in the hydraulic capacity and the City will continue to exceed the current permitted flow of 1.35 million gallons per day (MGD).

**New Wastewater Treatment Plant (Oxidation Ditch):** This option includes the construction of two new oxidation ditches, two new clarifiers, installation of a new chemical feed system for phosphorous removal, replacement of the existing plant lift station and installation of a new headworks. The proposed plant will be rated to treat 2 MGD. Increased energy efficiency will decrease energy usage and energy cost to operate the treatment plant. **This is the selected plan.**

**Existing Treatment Plant Expansion (Fifth Tank):** This option evaluates the expansion of the existing treatment facility by adding two additional SBR tanks and increasing the wall height of the existing three tanks. In addition, this option includes the construction of a new chemical treatment process, headworks and screening replacement of the treatment plant lift station. This alternative creates challenges related to the daily operation of the SBR treatment process.

**Off-Line Storage and Metered Release to the WWTP:** This alternative would provide for off-line storage of the flows during wet weather and controlled metered discharge to the WWTP. This alternative is cost-prohibitive and was rejected.

**Regionalization:** The Scott County Regional Sewer District (District) currently serves unincorporated areas of Scott County. The District currently has one treatment plant located in Lexington, Indiana. In an agreement with the City of Scottsburg, the District transports wastewater from adjacent users to the Scottsburg treatment facility.
VII. ENVIRONMENTAL IMPACTS OF THE FEASIBLE ALTERNATIVES

A. Direct Impacts of Construction and Operation

**Disturbed/Undisturbed Land:** Construction improvements that will take place at the treatment facility will be located on grounds adjacent to the existing plant or street infrastructure.

**Structural Resources** (Figure 2): 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 proposed WWTP requires a new outfall to the unnamed tributary to Stucker Fork (W L McClain Ditch), which will require open cut construction to that unnamed tributary. The construction and operation of the project will not negatively impact surface waters. Runoff from construction activities will meet mitigation requirements.

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 construction and operation will not negatively impact wetlands.

**Floodplain** (Figure 3): Construction of the new treatment plant will occur in a floodway. Upon final design, if any construction is anticipated to encroach on a floodplain, it will be duly permitted.

**Groundwater:** Due to the nature of the project, it is not anticipated that groundwater will be impacted.

**Plants and Animals:** Construction will take place in maintained urban areas previously disturbed. Tree removal will be minimal.

**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

The Preliminary Engineering Report (PER) states: The City of Scottsburg will ensure, through the authority of its council, planning commission or other means, will ensure that future development, as well as future wastewater 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 City of Scottsburg will require new development and 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

In correspondence dated September 9, 2019, the Indiana Department of Natural Resources Division of Historic Preservation and Archaeology stated:

Pursuant to IC 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 August 9, 2019, for the above indicated project in Scottsburg, Scott County, Indiana.

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

Based on our records, the new wastewater treatment plant location will overlap with the location of archaeological site 12-S-0053. This site is a prehistoric lithic scatter that was recommended as being not eligible for inclusion in the National Register of Historic Places. Therefore, project activities may proceed as planned.

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.

In correspondence dated September 13, 2019, the United States Fish and Wildlife Service stated that they do not have any comments on the proposed project.

In correspondence dated September 12, 2019, the Department of Natural Resources Environmental Unit stated:

The Indiana Department of Natural Resources has reviewed the above referenced project per your request. Our agency offers the following comments for your information and in accordance with the National Environmental Policy Act of 1969.

If our agency has regulatory jurisdiction over the project, the recommendations contained in this letter may become requirements of any permit issued. If we do not have permitting authority, all recommendations are voluntary.

Regulatory Assessment: This proposal may require the formal approval of our agency pursuant to the Flood Control Act (IC 14-28-1) for any proposal to construct, excavate, or fill in or on the floodway of a stream or other flowing waterbody which has a drainage area...
greater than one square mile. Please submit more detailed plans to the Division of Water's Technical Services Section if you are unsure whether or not a permit will be required.

Natural Heritage Database: The Natural Heritage Program's data have been checked. To date, no plant or animal species listed as state or federally threatened, endangered, or rare have been reported to occur in the project vicinity.

Fish & 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) Outfall Structure: We recommend implementing the following measures for construction of the outfall structure:

   a. Any in-stream work should be timed to coincide with the low-water time of year (typically mid- to late-summer) or whenever an ephemeral stream is dry.

   b. Restore disturbed streambanks using bioengineering bank stabilization methods and revegetate disturbed banks with native trees, shrubs and herbaceous plants. Stream bank slopes after project completion should be restored to stable-slope steepness (not steeper than 2:1). Bioengineered bank stabilization methods are presented in the bioengineering manuals located at:


      or http://iac.iga.in.gov/iac/irdin.pdf?din=20120404-IR-312120154NRA

   c. The cleared width through any forested area should be the minimum width needed to install the line/outfall and have a final width of no more than 20' wide to allow the tree canopy on either side of the cleared zone to close. Construction access and equipment staging should occur outside wooded areas to minimize unnecessary tree removal.

2) Riparian Habitat: We recommend a mitigation plan be developed (and submitted with the permit application, if required) for any unavoidable habitat impacts that will occur. The mitigation site should be located in the floodway, preferably as close to the impact site as possible) and adjacent to existing forested riparian habitat. The DNR's Floodway Habitat Mitigation guidelines (and plant lists) can be found online at:

   http://www.in.gov/legislative/iac/20190130-IR-312190041NRA.xml.pdf

   Impacts to non-wetland forest of one (1) acre or more should be mitigated at a minimum 2:1 ratio. If less than one acre of non-wetland forest is removed in a rural setting, replacement should be at a 1:1 ratio based on area. Impacts to non-wetland forest under one (1) acre in an urban setting should be mitigated by planting five trees, at least 2 inches in diameter-at-breast height (dbh), for each tree which is removed that is 10" dbh or greater (5:1 mitigation based on the number of large trees).

   The additional measures listed below should be implemented to avoid, minimize, or compensate for impacts to fish, wildlife, and botanical resources:

   1. Revegetate all bare and disturbed areas with a mixture of native grasses, sedges, wildflowers, and also native hardwood trees and shrubs if any woody plants are disturbed during construction as soon as possible upon completion. Do not use any varieties of Tall
Fescue or other non-native plants, including prohibited invasive species (see 312 IAC 18-3-25).

2. Minimize and contain within the project limits inchannel disturbance and the clearing of trees and brush.

3. Do not work in the waterway from April 1 through June 30 without the prior written approval of the Division of Fish and Wildlife.

4. Do not cut any trees suitable for Indiana bat or Northern Long-eared bat roosting (greater than 5 inches dbh, living or dead, with loose hanging bark, or with cracks, crevices, or cavities) from April 1 through September 30.

5. Do not construct any temporary runarounds/access bridges, causeways, cofferdams, diversions, or pump arounds.

6. Use minimum average 6 inch graded riprap stone extended below the normal water level to provide habitat for aquatic organisms in the voids.

7. Plant native hardwood trees along the top of the bank and right-of-way to replace the vegetation destroyed during construction.

8. Post "Do Not Mow or Spray" signs along the right-of-way.

9. Appropriately designed measures for controlling erosion and sediment must be implemented to prevent sediment from entering the stream or leaving the construction site; maintain these measures until construction is complete and all disturbed areas are stabilized.

10. Seed and protect all disturbed streambanks and slopes not protected by other methods that are 3:1 or steeper with erosion control blankets that are heavy-duty, biodegradable, and net free or that 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 March 8, 2018, the Natural Resources Conservation Service stated:

The proposed project to construct a waste water treatment plant in the City of Scottsburg, Scott County, Indiana, as stated in your letter received February 23, 2018, will not cause a conversion of prime farmland.

VIII. MITIGATION MEASURES

Scottsburg’s PER states:

Any mitigation measures necessary to reduce both siltation and erosion will be implemented. Erosion control measures will be implemented during construction. Erosion control measures typically include some or all of the following elements:

a. The contractor will be required to install silt fences along all ditches, creeks, or top of banks. All Disturbed areas must be covered with seed and straw as soon as practical, but no longer than fourteen days.

b. Natural vegetation will be retained wherever possible.
c. Excavations will be limited to rights-of-way and easements.

d. Appropriate best management practices, such as silt fence, seeding, and mulching, will be implemented wherever possible to control runoff throughout the project.

e. All surface drainage including ditches and creeks, will be returned to their preconstruction state as soon as feasible.

f. Roadways and driveways will remain stabilized during construction as much as possible.

g. When possible, construction activities will be scheduled to avoid excessively wet conditions.

h. Where possible, excavated material will be kept on the upland side of the trench. Excess materials will be used elsewhere on the project, removed from the site.

i. The existing topsoil will be reused during the restoration where possible.

j. Check dams and storm water inlet protection measure at concentrated flow areas.

IX. PUBLIC PARTICIPATION

A properly noticed public hearing was held on April 2, 2018, at 6:30 pm at the City Council Chambers, 1st floor of City Hall to discuss the PER. Questions concerning the proposed project and project costs were addressed at the public hearing. Questions about proposed rates will be addressed at an upcoming rate hearing. Written comments were received during the 5-day comment period following the hearing and were responded to.
Figure 1