



# State Revolving Fund Loan Programs

## Drinking Water, Clean Water, Nonpoint Source

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### ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

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#### LEBANON UTILITIES WASTEWATER TREATMENT PLANT IMPROVEMENTS – PHASE 2 SRF PROJECT WW 25 39 06 00

**DATE: April 20, 2026**

**PUBLIC COMMENTS DUE BY: May 20, 2026**

#### I. INTRODUCTION

The above entity has applied to the Clean Water State Revolving Fund (SRF) Loan Program for a loan to finance all or part of the Clean 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 Clean 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 affected by finalizing, or not finalizing, the FONSI as appropriate. Comments regarding this document should be sent within 30 days to:

**State Revolving Fund**  
**100 N. Senate Ave. IGCN 1275**  
**Indianapolis, IN 46204**  
[publiccomments@ifa.in.gov](mailto:publiccomments@ifa.in.gov)

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# ENVIRONMENTAL ASSESSMENT

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## I. PROJECT IDENTIFICATION

Project Name and Address: Wastewater Treatment Plant Improvements – Phase 2  
Lebanon Utilities  
401 S. Meridian Street  
Lebanon, IN 46052

SRF Project Number: **WW 25 39 06 00**

Authorized Representative: Sandra Morgan, CFO

## II. PROJECT LOCATION

The proposed project is located in Boone County, Center Township, Lebanon 24K USGS Quadrangle, Township 19N, Range 1W, and Section 36. See **Figure A-1 and Sheet 2Y4**.

## III. PROJECT NEED AND PURPOSE

Lebanon Utilities will be expanding the existing wastewater treatment plant (WWTP) in phases to address residential, commercial, and industrial growth in the community.

## IV. PROJECT DESCRIPTION

WWTP Expansion Phase 2 project will increase the plant design capacity to 15 MGD average and 34.2 MGD peak, and includes headworks improvements, new anaerobic basin, blower building modifications, new clarifier, tertiary filter improvements, sludge thickening improvements, and dewatering improvements.

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

The total cost of this project is estimated to be approximately \$88,908,800. Lebanon Utilities intends to finance the project with a loan from the Clean 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 is not practical, environmentally sound or economical. The existing Lebanon WWTP capacity will not be able to support the incoming industrialization and development. As such, the “no action” alternative will limit the City of Lebanon’s ability to treat additional wastewater and restrict regional economic growth. Therefore, this alternative was dismissed from further consideration.

**Regionalization:** The option of regionalization and sending wastewater flows from Lebanon to another community was evaluated but is not a viable option. None of the surrounding cities wastewater facilities would be able to handle the additional flow from Lebanon. Therefore, the regionalization option was not considered further.

**Phase Approach for Expansion:** This alternative would expand the plant’s capacity as well as the ability to meet future limits while keeping the treatment process similar to the current facility to provide consistent operations. Due to the unknown timelines of the upcoming developments, the expansion alternative into phases to balance the future development capacity needs with the facility operations. **This is the recommended alternative** as it meets the City’s needs.

## VII. ENVIRONMENTAL IMPACTS OF THE FEASIBLE ALTERNATIVES

### A. Direct Impacts of Construction and Operation

**Disturbed/Undisturbed Land:** Work related to the installation of the existing WWTP will occur in disturbed rights-of-way, adjacent to and within roadways, alleys and existing utility trenches. All areas have been previously disturbed by previous construction activity.

**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** (Figure A-3): 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. The project is near Prairie Creek.

Mitigation measures to lessen and compensate for stream impacts cited in comment letters or permits from the Indiana Department of Natural Resources , U.S. Army Corps of Engineers, and/or Indiana Department of Environmental Management will be implemented.

**Wetlands** (Figure A-2): The project will not impact wetlands. Mitigation measures to lessen and compensate for wetland impacts cited in comment letters or permits from the Indiana Department of Natural Resources , U.S. Army Corps of Engineers, and/or Indiana Department of Environmental Management will be implemented.

**Floodplain** (Figure A-4a): 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 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 Lebanon Utilities' PER states: *The City, through local zoning laws, the authority of its Council, planning commission, or other means will ensure 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. The City will require new development and utility projects 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 March 13, 2026, 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 March 8, 2026, and received by the Indiana SHPO on March 9, 2026, for the above indicated project in Lebanon, Center Township, Boone County, Indiana.*

*Based on our analysis, it has been determined that no historic properties will be altered, demolished, or removed by the proposed project. No archaeological investigations appear necessary provided that all project activities remain within areas disturbed by previous construction.*

*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 August 28, 2024, the United States Fish and Wildlife Service stated:

The proposed project, Project Code 2024-0136574, is within the range of the federally endangered Indiana bat (*Myotis sodalis*). There is no critical habitat within the project area for the Indiana bat. Therefore, there is likely a "no effect" to the Indiana bat.

In correspondence dated October 18, 2024, the Department of Natural Resources Environmental Unit stated:

*The Natural Heritage Program's data have been checked. A Migratory Bird Concentration Area has been documented within .5 mile of the project area. The Division of Fish and Wildlife does not anticipate any significant impacts to this resource due to 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 with a mixture of turf grasses (including low-endophyte, friendly endophyte, and endophyte free tall fescue but excluding all other varieties of tall fescue) as soon as possible upon completion.*
2. *Do not excavate in the waterway and minimize disturbance to bank vegetation and contain disturbance to within the project limits.*
3. *Appropriately designed measures for controlling erosion and sediment must be implemented to prevent sediment from entering the waterbody or 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.*

Additional correspondence dated March 9, 2026, with Department of Natural Resources Environmental Unit stated:

*The only proposed ground disturbance is the construction of the new anaerobic basin, but we wouldn't give any further recommendations outside what was in the Phase 1 letter. If there isn't any additional ground disturbance, tree trimming/clearing, or stream impacts being proposed in this phase, our previous letter should be sufficient.*

In correspondence dated August 30, 2024, the Natural Resources Conservation Service stated:

*The proposed Wastewater Treatment Plant Improvement Project in the City of Lebanon, in Boone County, Indiana, as referred to in your letter received August 28, 2024, will not cause a conversion of farmland.*

## **VIII. MITIGATION MEASURES**

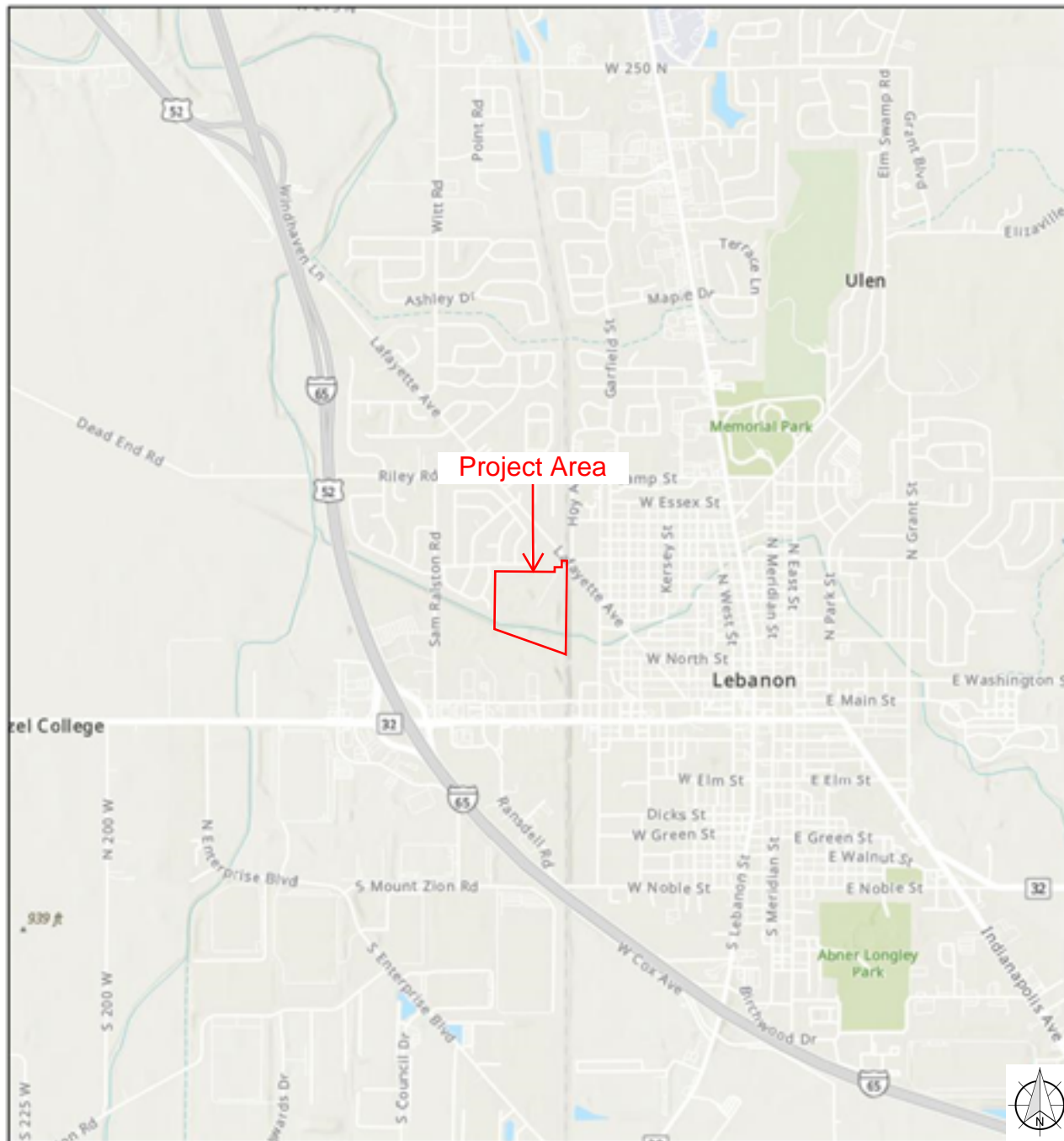
City of Lebanon's PER states:

*Erosion control measures will be implemented during all construction activities. Areas disturbed by construction will be restored and revegetated with seeding and other measures, such as erosion control blankets, as necessary. A CSGP for stormwater runoff associated with construction activities is expected for the proposed Project since it will disturb more than one acre of land. If tree and shrub removal are necessary, it will only occur during the approved cutting season from October 1<sup>st</sup> to March 31<sup>st</sup>. Construction activity will be limited to daylight hours on weekdays to minimize noise effects. Construction specifications will require proper control measures to control wind erosion from construction areas. Proper cleanup practices will be required to reduce the generation of dust and other construction debris. When impacts cannot be avoided, appropriate measures will be utilized.*

## **IX. PUBLIC PARTICIPATION**

A properly noticed public hearing was held on January 29, 2025, at 5:00 pm at the Lebanon Municipal Building at 401 S. Meridan St., Lebanon, IN 46052, to discuss the PER. An informational Open House Meeting preceded the official hearing at 4:00 pm. No written comments were received during the 5-day comment period following the hearing.

Legend



Map Source: IndianaMAP

**FIGURE A-1**  
**USGS TOPOGRAPHIC MAP**

City of Lebanon, Indiana  
Preliminary Engineering Report  
WWTP Improvements

Project No. 273424

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Legend

-  Riverine
-  National Wetlands Inventory



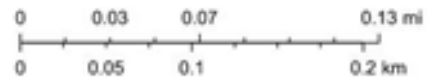
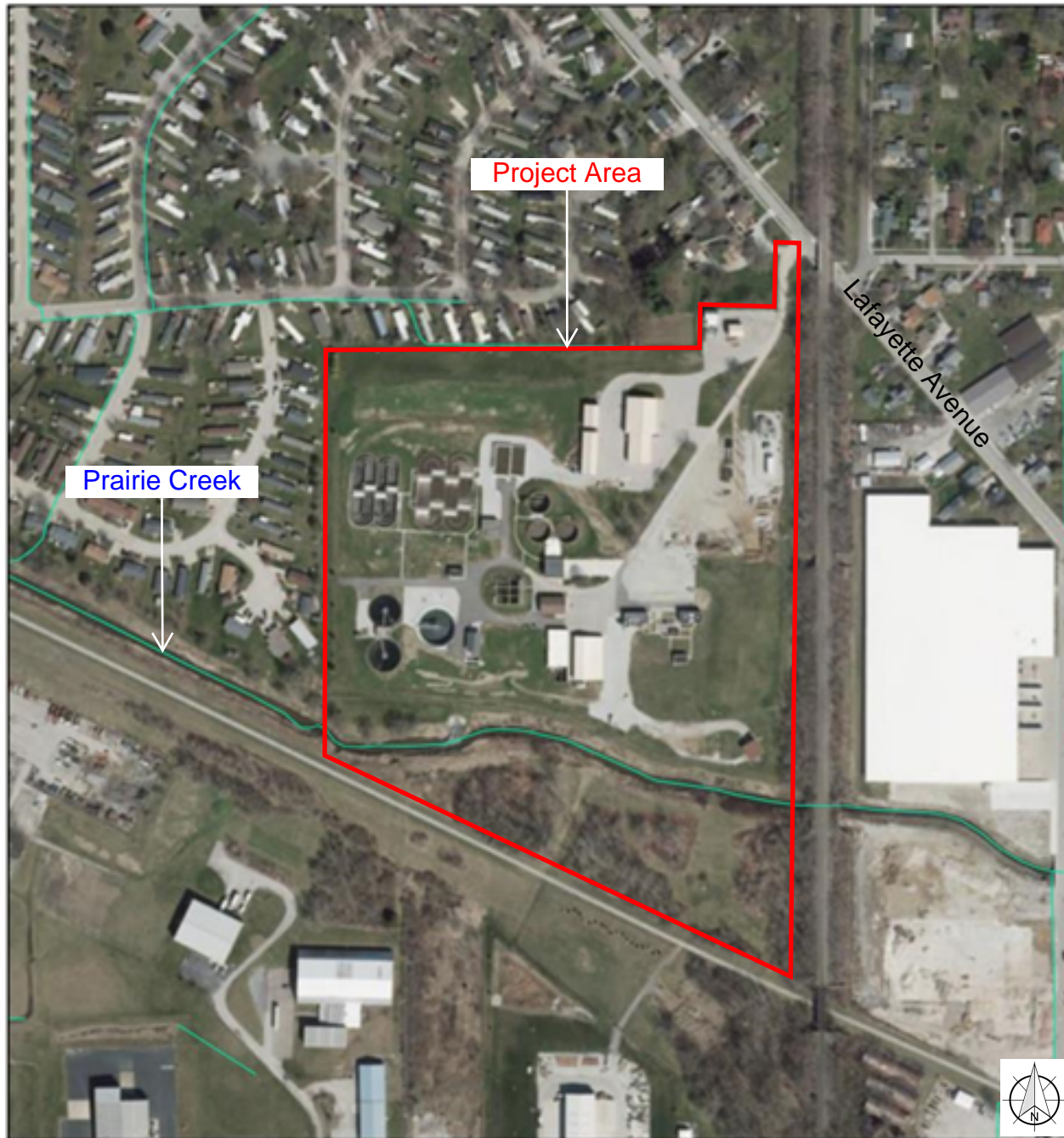
Map Source: IndianaMAP

**FIGURE A-2**  
**WETLANDS MAP**

City of Lebanon, Indiana  
Preliminary Engineering Report  
WWTP Improvements

Project No. 273424  
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**Legend**  
— NHD Classified Flowlines



Map Source: IndianaMAP




**FIGURE A-3**  
**SURFACE WATER MAP**

City of Lebanon, Indiana  
Preliminary Engineering Report  
WWTP Improvements

Project No. 273424  
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Legend

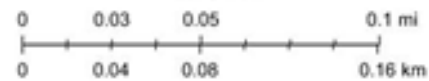
-  AE, <Null>
-  AE, Floodway
-  X, 0.2% Annual Chance Flood Hazard

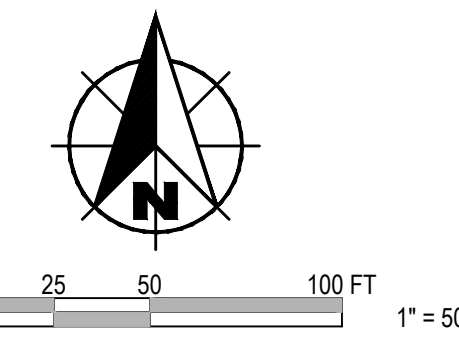
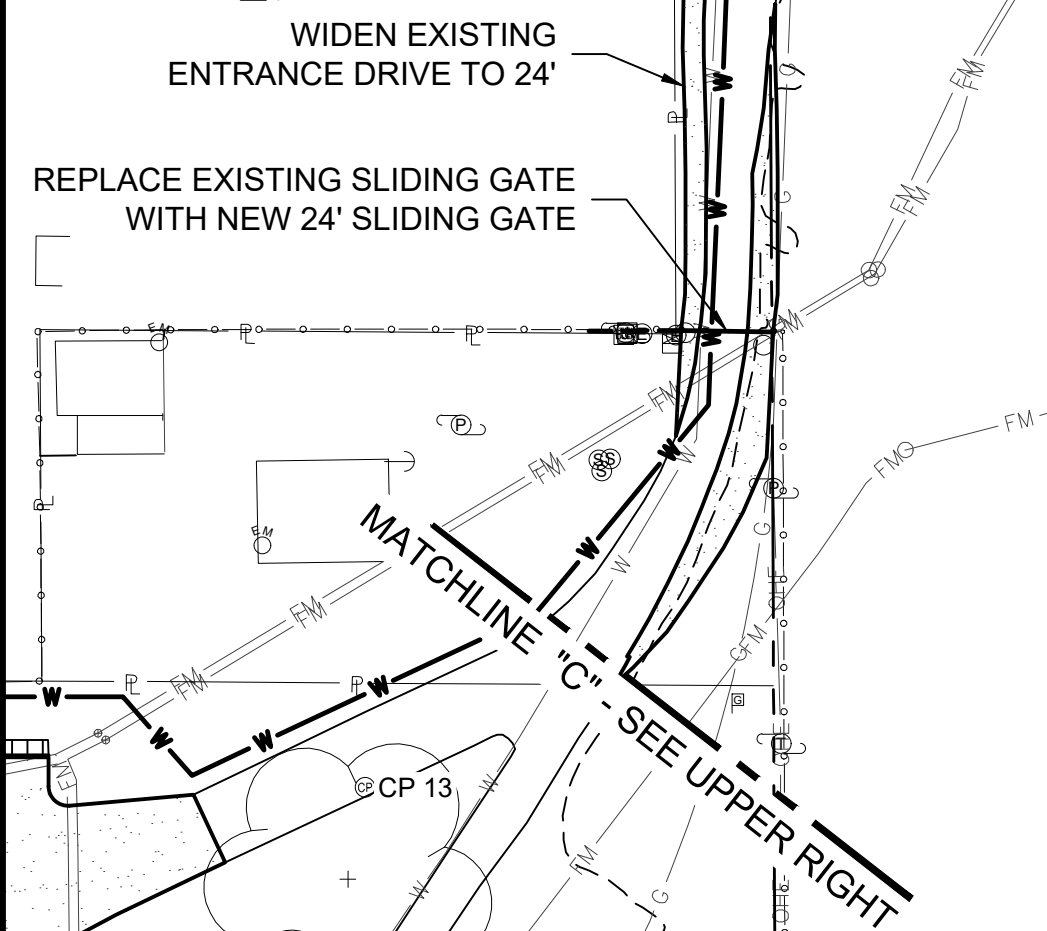
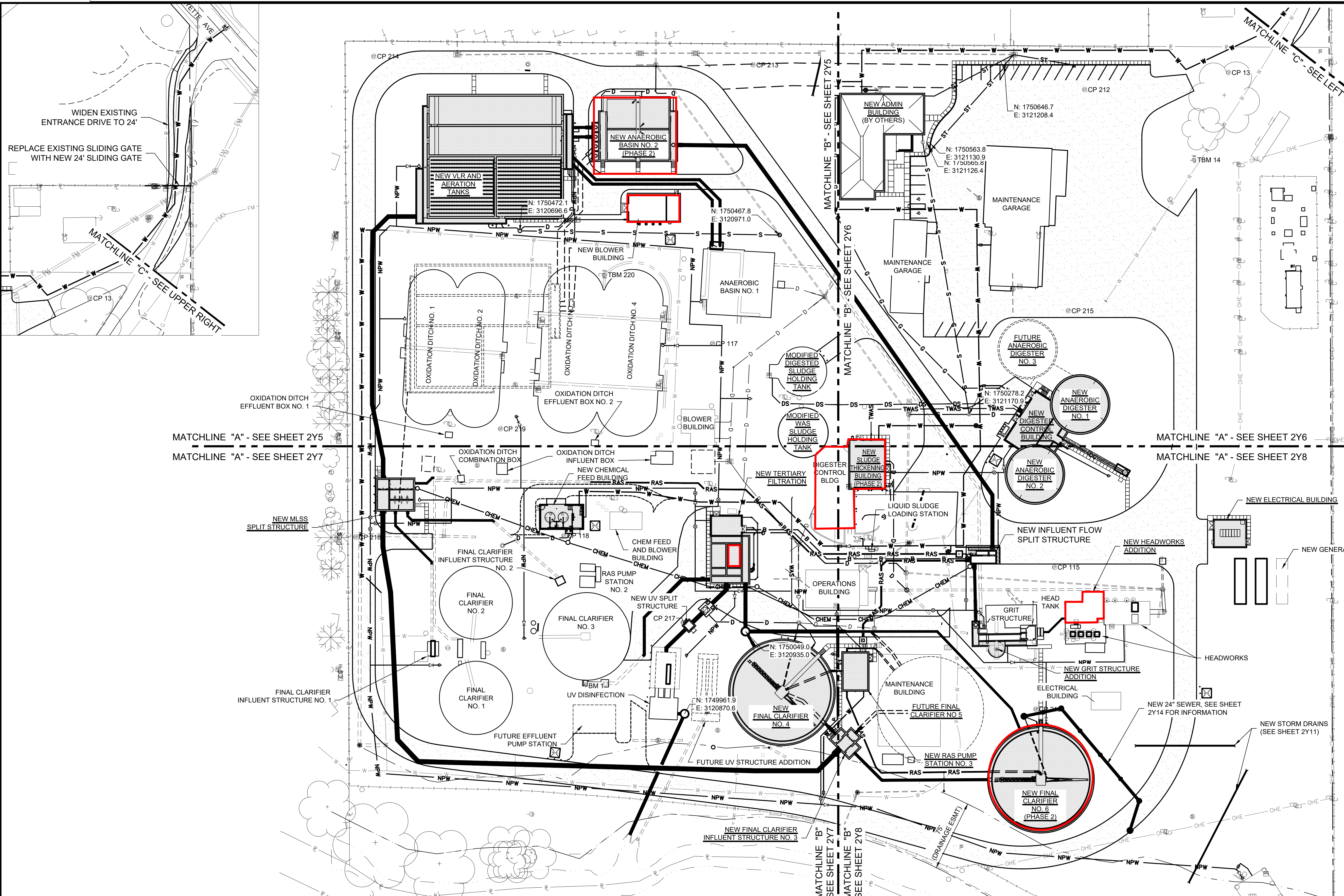
Map Source: IndianaMAP

**FIGURE A-4a**  
**FLOODPLAIN MAP**

City of Lebanon, Indiana  
 Preliminary Engineering Report  
 WWTP Improvements

Project No. 273424  
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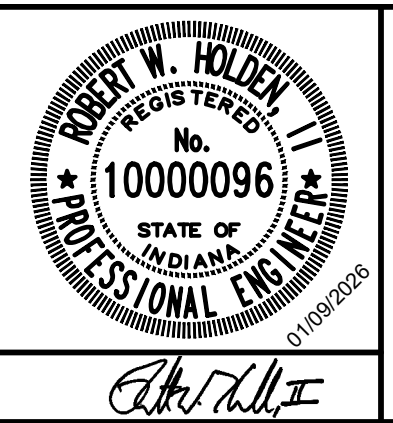
- GENERAL NOTES:**
- INSTALL EROSION AND SEDIMENT CONTROL MEASURES AS SHOWN ON PLAN SHEETS AND AS NECESSARY TO PROVIDE ADEQUATE CONTROL FOR THE CONSTRUCTION AREA. SEE SPECIFICATION 02101.
  - CONTRACTOR TO REPAIR AND REINSTATE ANY DAMAGED FIELD TILE WITHIN 24 HOURS OF OCCURRENCE.
  - ONLY SELECT EXISTING YARD PIPING SHOWN FOR CLARITY. SEE SHEETS 2Y5 THRU 2Y8 FOR ALL EXISTING PIPING.
  - SEE SHEETS 2Y9 AND 2Y10 FOR NEW POTABLE AND NON-POTABLE WATER LINES. CONTRACTOR TO VERIFY EXISTING SANITARY SEWER ELEVATIONS WITH ENGINEER TO DETERMINE IF THERE IS A MINIMUM OF 0.08 FEET OF SLOPE PER 100 FEET.

Proposed WWTP Ph 2 Expansion highlighted in red.

- LEGEND**
- EXISTING FEATURES
  - NEW FEATURES
  - NEW STRUCTURES
  - FUTURE STRUCTURES
  - NEW ASPHALT DRIVE
  - NEW CRUSHED STONE DRIVE
  - EXISTING SITE PIPING
  - NEW SITE PIPING

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SCALE VERIFICATION	DRAWN BY	MLN	NO.	DATE	INITIALS	REVISION DESCRIPTIONS
BAR IS ONE INCH LONG ON ORIGINAL DRAWING 	CHECKED BY	ALT		2/4/2026	RWH	SITE AND STRUCTURE REVISIONS-MODIFIED FOR DRAINAGE EASEMENT
	APPROVED BY	RWH				
	ISSUE DATE			JANUARY 2026		
	PROJECT NUMBER			264623-04-001		



**WASTEWATER TREATMENT PLANT EXPANSION**

PHASES 1 AND 2

LEBANON UTILITIES  
CITY OF LEBANON, INDIANA

**NEW OVERALL YARD PIPING PLAN**

SHEET NO.  
**2Y4**  
PAGE NO.