State Revolving Fund Loan Programs

Drinking Water, Clean Water, Nonpoint Source

ENVIRONMENTAL ASSESSMENT
AND
FINDING OF NO SIGNIFICANT IMPACT

TOWN OF SPENCER
WASTEWATER IMPROVEMENTS PHASE 1
SRF PROJECT WW 25 37 60 00

DATE: March 5, 2026

PUBLIC COMMENTS DUE BY: April 4, 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
Publicnotices@ifa.in.gov

ENVIRONMENTAL ASSESSMENT

I. Project Identification

Project Name and Address:	Wastewater Improvements Phase 1 Town of Spencer 90 North West Street Spencer, IN 47460
SRF Project Number:	**WW 25 37 60 00**
Authorized Representative:	Jon Stantz, Town Council President

II. Project Location

The proposed project is located in Owen County, Washington Township, Spencer and Gosport USGS Quadrangles, Township 10N, Range 3W, and Sections 19-21 and 29-31.
See **Figures 1-5**.

III. Project Purpose and Need

The Town of Spencer has equipment at the WWTP, as well as the existing Hart Avenue lift station and force main components, that are past their useful life. These components need replacement or rehabilitation. Additionally, capacity upgrade is recommended to ensure growth can continue for additional needs such as new neighborhoods.

IV. Project Description

WWTP Capacity Upgrade project will increase the plant to capacity from 0.70 to 0.875 MGD average and from 2.0 to 2.25 MGD peak daily flow. The existing digester will be converted to a new SBR tank and will be equipped with a diffused air system with new blowers, VFDs, and DO control. The existing SBR tank structure will be evaluated and repaired. Additionally, a mandatory alternate proposes replacement of existing SBR equipment. A new UV disinfection system will be installed within the chlorine contact tank and walls will be raised above the 100-year flood elevation. A new effluent lift station, effluent force main, and outfall structure will be installed to allow the plant to discharge during high flow conditions. The flap gate will be replaced at the existing outfall structure. Non-potable water system upgrades, new effluent flow metering, new generator, SCADA and PLC improvements will be included. The capacity upgrade will address existing and partial future conditions projected for 20-year growth in the community. Full future conditions will be addressed in Wastewater Improvements Phase 2 which include an upgraded plant influent lift station.

Hart Avenue Lift Station and Force Main Replacement project will replace the existing lift station with new submersible pumps with no change in capacity, wet well, and valve pit with associated valves, electrical, controls and monitoring systems. The existing force main will also be replaced.

V. Estimated Project Costs, Affordability, and Funding

The total cost of this project is estimated to be approximately $12,697,000. The Town 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

WWTP Capacity Upgrade: Three alternatives were considered for the WWTP Capacity Upgrade. These consisted of a no action alternative, which is not practical, environmentally sound or economical. The two other alternatives were demolishing the existing WWTP and constructing a new plant and expanding the existing WWTP. Expanding the existing WWTP is the recommended alternative as the Town's existing infrastructure can be expounded upon to increase capacity.

Hart Street Lift Station: Three alternatives were considered for the Collection System needs. These consisted of a no action alternative, which is not practical, environmentally sound or economical. The remaining two alternatives were rehabilitating existing lift station or replacing the lift station. Ultimately, the recommendation is to replace the lift station due to serve corrosion at the discharge manhole of the existing lift station.

VII. Environmental Impacts of the Feasible Alternatives

A. Direct Impacts of Construction and Operation

Disturbed/Undisturbed Land: Work related to the wastewater system improvements 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 (Figures 1 and 4): 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 White River. The project will include a new outfall to the White River

Wetlands (Figure 2): The project will not impact wetlands. There is a small patch of forested wetland adjacent to the White River located within the planning area, however no adverse effects to wetlands are anticipated as a part of the proposed project. 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 (Figure 3): The project will not include dredging 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 Town of Spencer's PER states: *The Town of Spencer, through local zoning laws, the authority of its council or 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 Town of Spencer will require new development and utility projects to be constructed within the guidelines of the US Fish and Wildlife Service, Indiana Department of Natural Resources, Indiana Department of Environmental Management, and other environmental review authorities.*

C. Comments from Environmental Review Authorities

In correspondence dated January 14, 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 staff of the Indiana State Historic Preservation Officer ("Indiana SHPO") has conducted an analysis of the materials dated December 17, 2025 and received on December 22, 2025, for the above indicated project in Spencer, Owen County, Indiana.*
>
> *We previously indicated, based upon the documentation available to the staff of the Indiana SHPO, we have not identified any historic buildings, structures, districts, or objects listed in or eligible for inclusion in the National Register of Historic Places within the probable area of potential effects.*
>
> *In terms of archaeology, no currently known archaeological resources listed in or eligible for inclusion in the National Register of Historic Places have been recorded within the proposed project areas. No archaeological investigations appear necessary.*
>
> *The cemeteries (CR-60-203 (Laurimore Cemetery), CR-60-180 (Riverside Cemetery)) east of the wastewater treatment plant project area must be avoided by all project activities. Please be aware of the cemetery development plan requirements in Indiana Code 14-21-1-26.5 (https://iga.in.gov/laws/2024/ic/titles/14#14-21-1-26.5) for ground disturbance within 100 feet of a cemetery. In addition, please be aware of the restrictions on utility construction in Indiana Code (IC) 23-14-44-1 (https://iga.in.gov/laws/2024/ic/titles/23#23-14-44-1).*

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.

Therefore, we concur with the Town of Spencer's December 17, 2025 finding that there are no historic buildings, structures, districts, objects, or archaeological resources within the area of potential effects that will be adversely affected by the above indicated project.

The 36 C.F.R. Part 800 regulations governing the Section 106 review process may be found at www.achp.gov.

In correspondence dated February 19, 2026, the United States Fish and Wildlife Service stated:

This responds to your email requesting our concurrence on the Spencer Phase 1 Wastewater Improvements Project (WWTP) in Spencer, Owen County, Indiana. The project consists of upgrading the WWTP and directionally drilling a new outfall at/near the facility in Spencer, Indiana.

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, gray bat, and northern long-eared bat present throughout the project site. The project would require the removal of less than one acre of potentially suitable forested habitat. Based on a review of the information provided and the project proponents commitment to remove trees from October 1- March 31 and commitment to addressing concerns related to stream sedimentation/water quality, the U.S. Fish and Wildlife Service would concur that the proposed project is not likely to adversely affect any Federally listed Indiana bat, gray 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 reinitiate consultation.

The Department of Natural Resources Division of Water issued a Certificate of Approval on November 26, 2025, with permit number FW-33465-0. This permit is attached to this document.

In correspondence dated July 21, 2025, the Natural Resources Conservation Service stated:

The Town of Spencer wastewater system improvements preliminary engineering report in Owen County, Indiana as referred to in your letter received July 16, 2025, will not cause a conversion of prime farmland.

VIII. Mitigation Measures

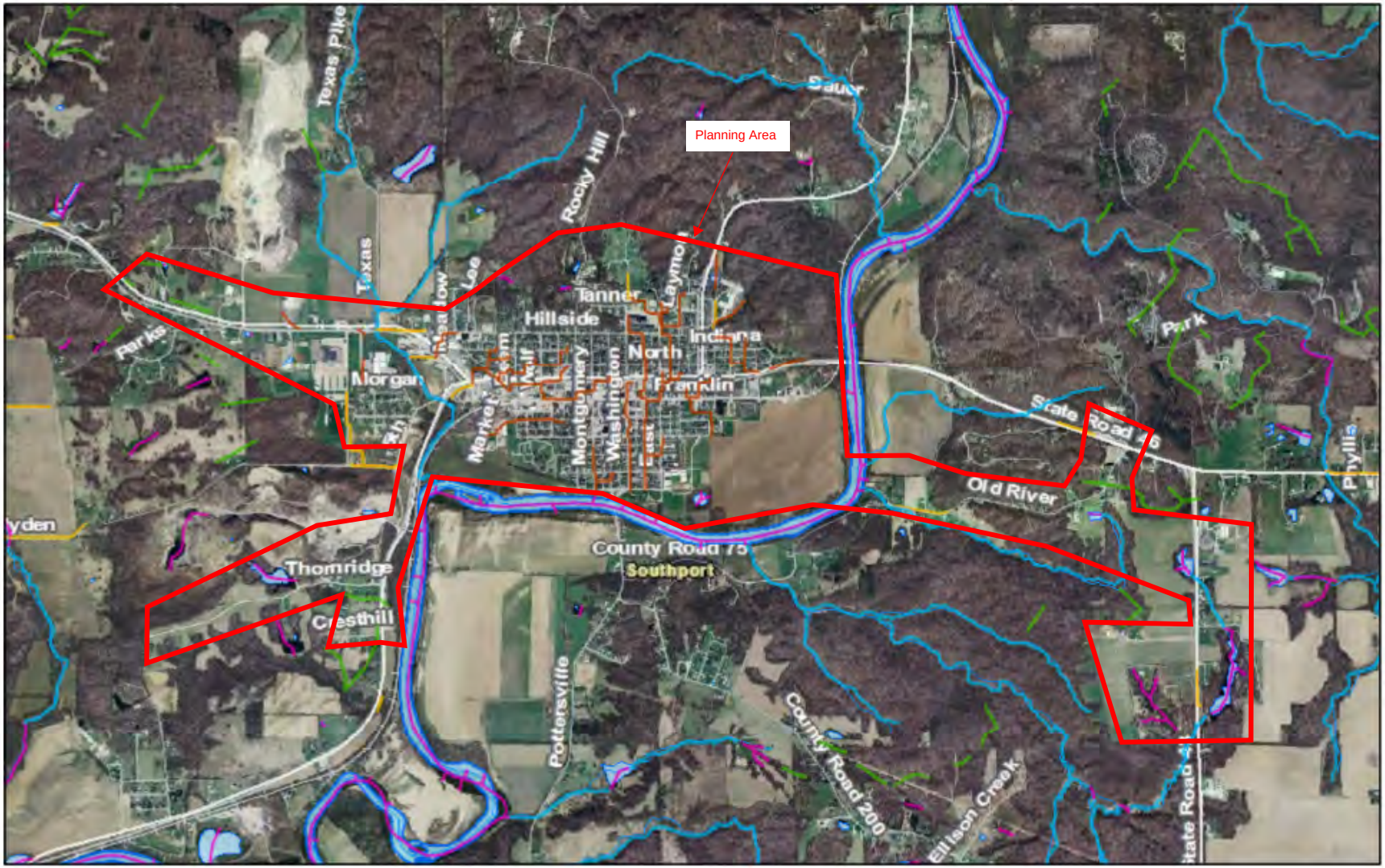
Town of Spencer's PER states:

The majority of the environmental impacts will occur during construction of the proposed improvements. These issues will be temporary in nature, since no significant impacts to environmental, historical, or other regulated resources are involved. These temporary construction impacts include the potential for noise, dust, and construction site erosion. Provisions will be

included in the construction specifications to limit such problems and to provide erosion control in accordance with current state standards. The work is expected to be completed during normal working hours, restricting any work-related nuisances to those hours. All construction equipment will be required to have mufflers to reduce noise pollution. Additionally, reasonable and proper construction techniques and clean up practices will be required by the contractor to reduce dust emissions. Proper surface wetting practices will be required.

IX. PUBLIC PARTICIPATION

A properly noticed public hearing was held on April 18, 2022, at 6:00 pm at the Spencer Municipal Building at North 90 West St., Spencer, IN 47460 to discuss the PER. No written comments were received during the 5-day comment period following the hearing.



September 29, 2021

Streams (Local-Resolution NHD)

- ArtificialPath
- CanalDitch
- Coastline
- Connector
- Pipeline
- StreamRiver
- Underground Conduit
- Streams (NHD)
- Rivers (NHD)
- Lakes (NHD)

1:32,000

0 0.275 0.55 1.1 mi

0 0.425 0.85 1.7 km

U.S. Geological Survey
Indiana Spatial Data Portal, UITS, ESRI

N

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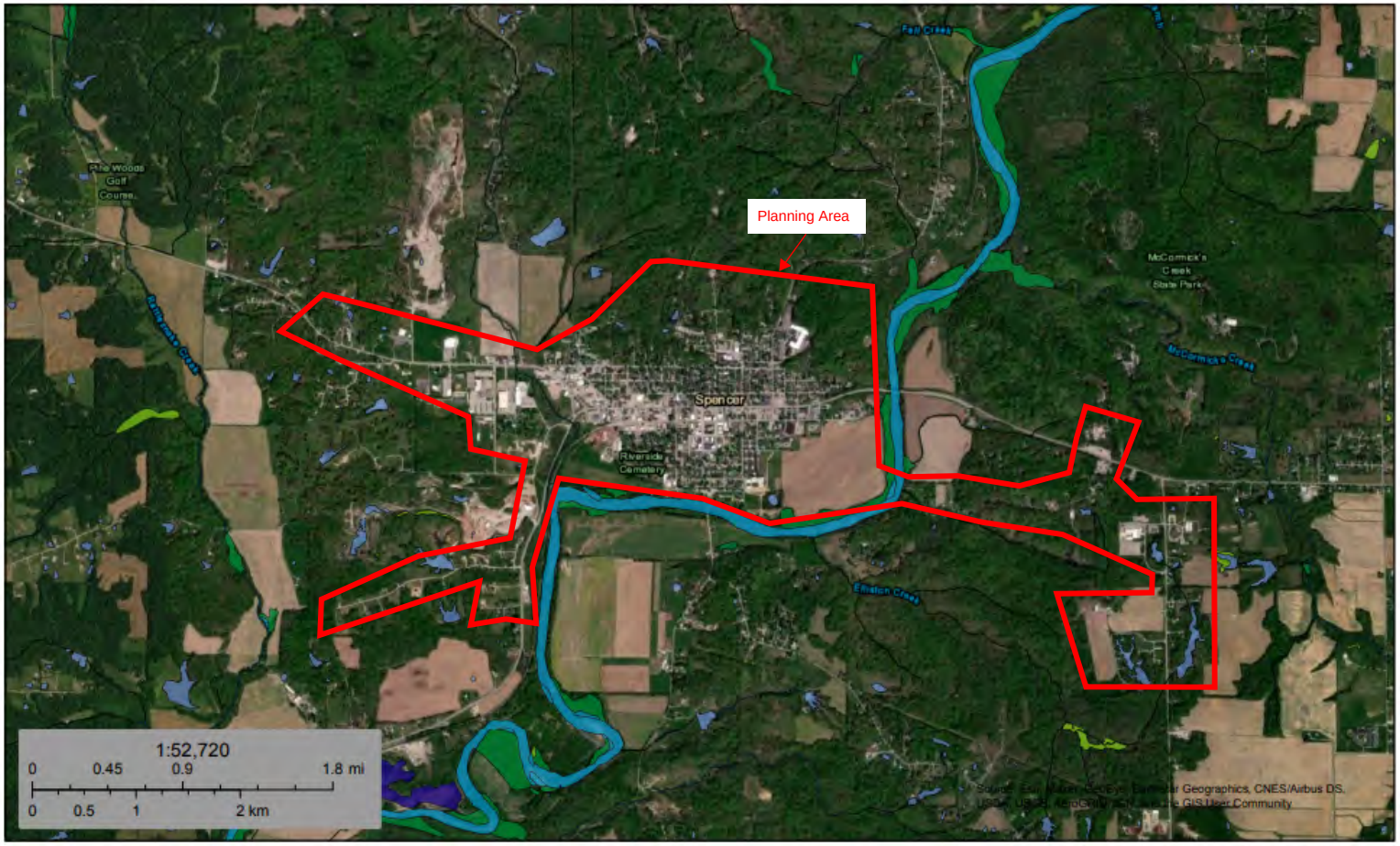
TOWN OF SPENCER
OWEN COUNTY, INDIANA

WASTEWATER PER

Figure 1 Surface Waters Map

U.S. Fish and Wildlife Service

National Wetlands Inventory



September 28, 2021

Wetlands

- Estuarine and Marine Deepwater
- Estuarine and Marine Wetland
- Freshwater Emergent Wetland
- Freshwater Forested/Shrub Wetland
- Freshwater Pond
- Lake
- Other
- Riverine

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

National Wetlands Inventory (NWI)
This page was produced by the NWI mapper

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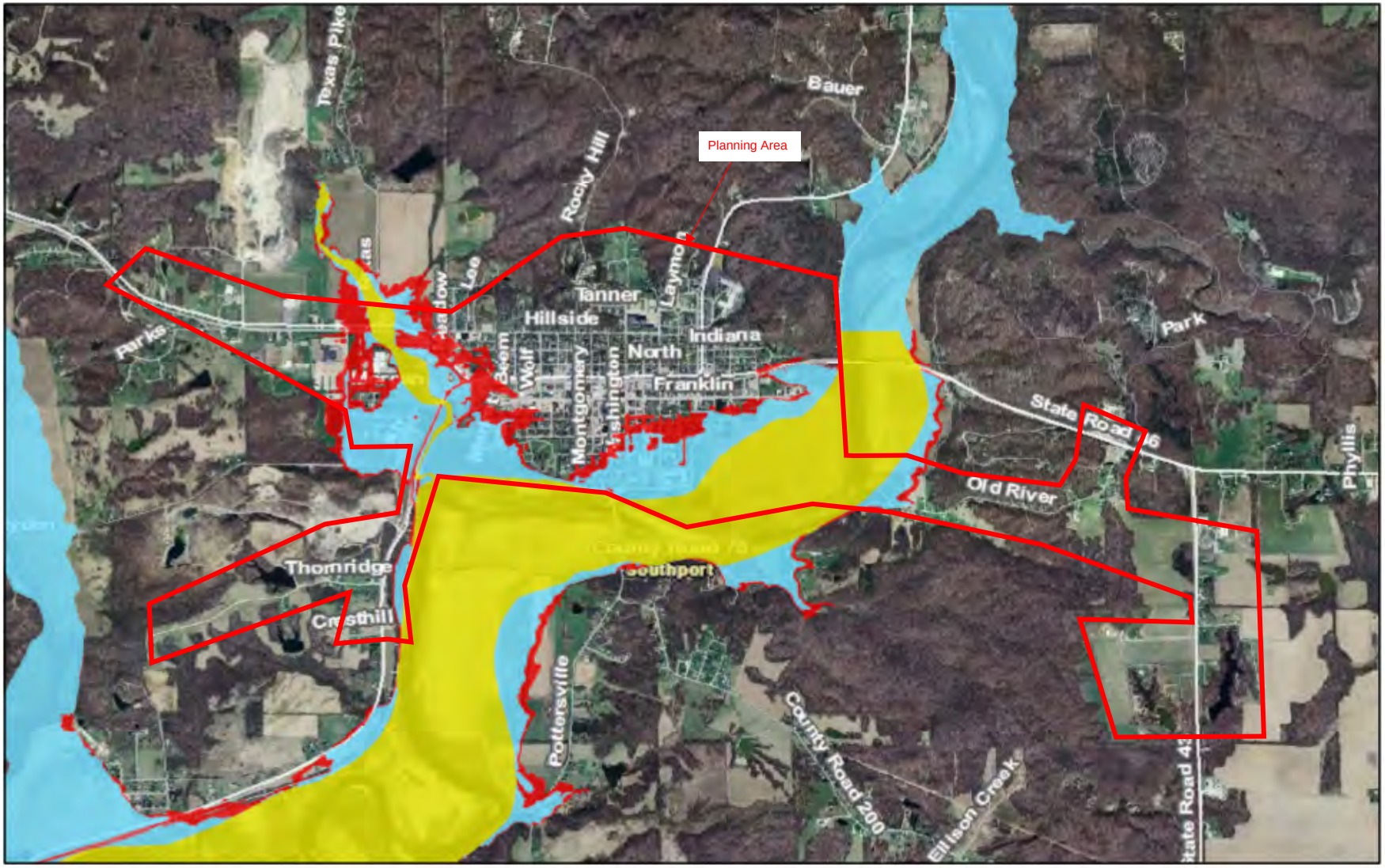
TOWN OF SPENCER
OWEN COUNTY, INDIANA

WASTEWATER PER

Figure 2 Wetlands Map



September 29, 2021

Floodplains - FIRM (Mar 2020)

- Floodway
- 1% Annual Chance Flood Hazard
- 0.2% Annual Chance, Protected by Levee
- 0.2% Annual Chance Flood Hazard

1:32,000

0 0.275 0.55 1.1 mi

0 0.425 0.85 1.7 km

Indiana Spatial Data Portal, UITS, ESRI
Federal Emergency Management Agency (FEMA), Indiana Department of

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OWEN COUNTY, INDIANA

WASTEWATER PER

Figure 3 Floodplain Map

WWTP Surface Waters Map

December 15, 2025

1:4,514

0 0.03 0.06 0.11 mi

0 0.04 0.09 0.18 km

N

Legacy NHD Rivers Streams etc 2008 - Legacy NHD Rivers, Streams, etc 2008

StreamRiver

Rivers Outstanding NRC RO - NRC Outstanding Rivers 2013

County Boundaries of Indiana Current

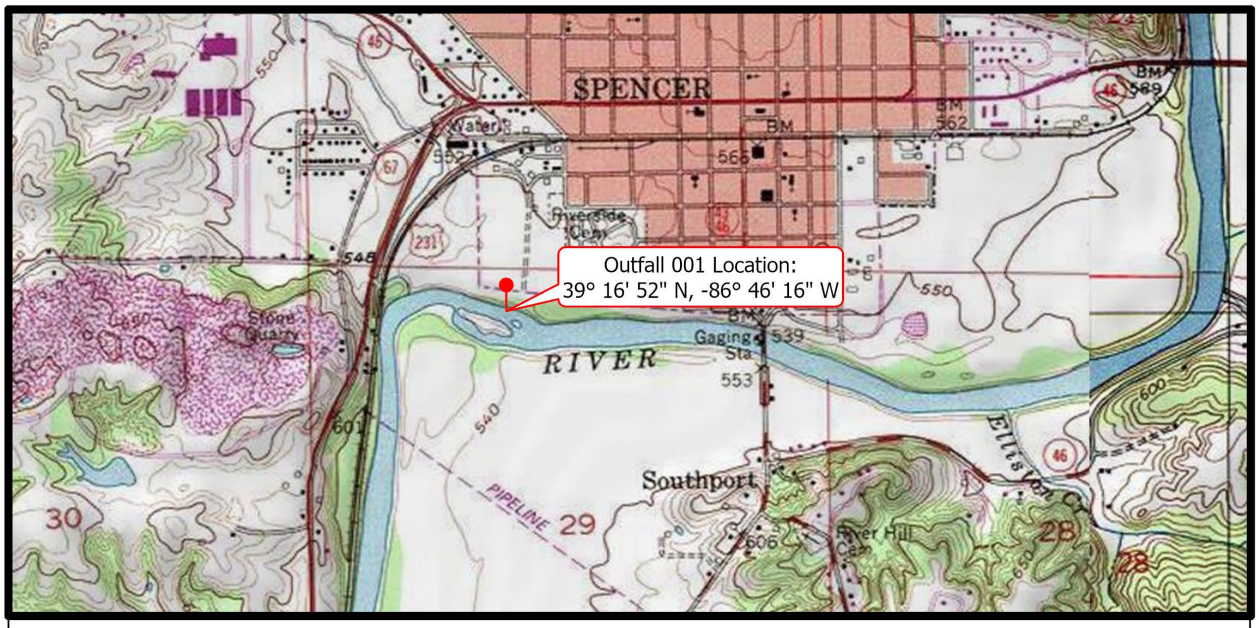
Source: Esri, Vantor, Earthstar Geographics, and the GIS User Community, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

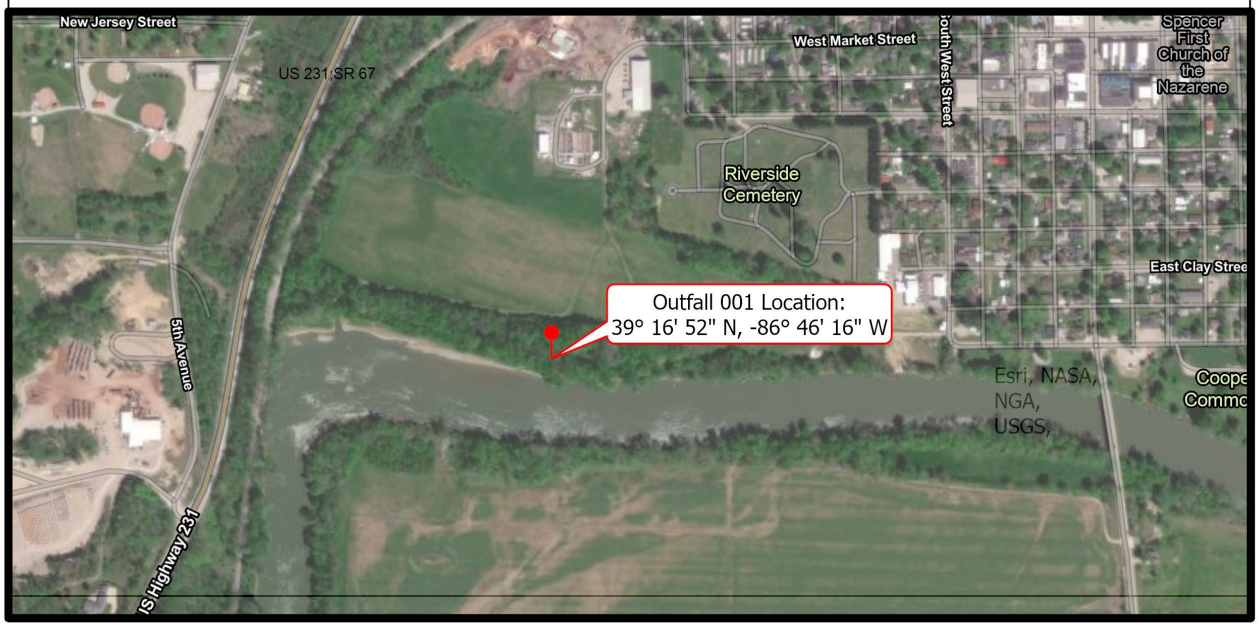
Figure 4

Indiana Viewer

MAP OF OUTFALL

TOWN OF SPENCER





This map is intended to serve as an aid in graphic representation only. This information is not warranted for accuracy or other purposes.

Mapped By: Jordan Kasuboski, Office of Water Quality
Date: 12/13/2023

Map Projection: UTM Zone 16 N

Map Datum: NAD83

N
W E
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IDEM

Figure 5

State of Indiana
Department of Natural Resources

CERTIFICATE OF APPROVAL

Application #: FW-33465-0

This Certificate of Approval is a Permit for Construction under the authority of the Indiana Flood Control Act, IC 14-28-1 with 312 IAC 10 as administered by the Department of Natural Resources.

Approval Issued To: Town of Spencer, Jon Pell, 90 North West Street, Spencer, IN 47460

Approval Issued By: Grant A. Eyster

Mail Date: 11/26/2025

Grant Eyster, Division of Water

Permit Effective Date: 12/14/2025 **Permit Expiration Date: 11/26/2027**

Pursuant to IC 4-21.5-3-5(f), this Permit becomes Effective eighteen (18) days from the Mail Date to provide a stay period for a Petition for Administrative Review with the Indiana Natural Resources Commission, Division of Hearings. Initiating construction authorized in this Permit prior to the Permit Effective Date constitutes a violation. This Permit is only valid until the Permit Expiration Date.
This Permit may be renewed one (1) time if a written request is received at the DNR, Division of Water, prior to the Permit Expiration Date.

PROJECT INFORMATION:

Waterbody: White River County: Owen

Project Description Narrative: Future growth in the Town requires a wastewater treatment plant (WWTP) capacity upgrade. Outside the floodway, an existing Aerobic Digester will be converted to a new Sequencing Batch Reactor (SBR). New blowers will replace the existing SBR blowers. The existing Chlorine Contact Tank will be converted to an ultraviolet (UV) Disinfection Tank. The walls on the UV tank will be raised above the 100-year flood level. A new Effluent Lift Station will be constructed with a new 14" force main terminating in a new outfall structure located in the floodway to allow the WWTP to discharge during 100-year flood events. The new outfall structure will be located immediately to the east of the existing outfall structure at the site. Class 1 riprap 36" in depth on filter fabric will be placed at the outlet of the new structure and the 24" flapgate will be replaced in-kind on the existing structure. Tree removal will be minimal (approximately 2-3 trees at most).

Project Location: Approximately 2,500' downstream from the Pottersville Road stream crossing along the north overbank near Spencer

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PERMIT CONDITIONS:

This Certificate of Approval is valid only if the construction project is in compliance with all Conditions in this Permit.

DNR PROJECT SPECIFIC PERMIT CONDITIONS

1) Revegetate all bare and disturbed areas that are not currently mowed and maintained with a mixture of grasses, sedges, and wildflowers native to Southern Indiana and specifically for stream bank/floodway stabilization purposes 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. A native herbaceous seed mixture must include at least 5 species of grasses and sedges and 5 species of wildflowers.
2) Do not excavate in the stream channel beyond the limits identified in the application. Do not excavate below proposed elevations in order to maintain aquatic organism passage and avoid negative modification of habitat.
3) Minimize and contain within the project limits inchannel disturbance and the clearing of trees and brush.
4) Do not work in the waterway from April 1 through June 30 without the prior written approval of the Division of Fish and Wildlife.
5) Do not construct any cofferdams, diversions, or pumparounds.
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) 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.
8) 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.
9) Do not cut any trees suitable for Indiana Bat or Northern Long-eared Bat roosting (3 inches or greater diameter-at-breast height, living or dead, with loose hanging bark, or with cracks, crevices, or cavities) from April 1 through September 30.
10) Do not deposit or allow construction/demolition materials or debris to fall or otherwise enter the waterway. Any incidental fallen material or debris in the waterway must be removed within 24 hours using best management practices, particularly lifting material out of the waterway and not dragging it across the streambed whenever possible.
11) Except for the material used as backfill as shown on the plans submitted for the permit application, place all excavated material landward of the floodway*.
12) Do not leave felled trees, brush, or other debris in the floodway*.
13) All riprap placed for bank stabilization must conform to the bank.
14) Upon completion of the project, remove all construction debris from the floodway*.
15) * Note: For regulatory purposes, the floodway is defined on the attached Floodway Map.

DNR PROJECT GENERAL PERMIT CONDITIONS

1) Any modifications or additional construction beyond what was shown on plans received at the Division of Water shall require an additional review and approval from the Department of Natural Resources.

2) This Permit must be posted and maintained at the project site until the project is completed.

3) This Permit shall not be assigned or transferred without the prior written approval of the Department of Natural Resources.

4) If any prehistoric or historic archaeological artifacts or human remains are uncovered during construction, demolition, or earthmoving activities, state law (IC 14-21-1-27 and 29) requires that the discovery must be reported to the Department of Natural Resources within two (2) business days.

5) This Permit may be revoked by the Department of Natural Resources for violation of any condition or applicable statute or rule.

6) The Department of Natural Resources shall have the right to enter upon the site of the permitted activity for the purpose of inspecting the work authorized under this Permit.

Certificate of Approval Attachments: Floodplain Map FW-33465.pdf

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RIGHT TO ADMINISTRATIVE REVIEW:

A party may appeal this Department of Natural Resources Action through the administrative review procedures found in the Administrative Orders and Procedures Act, IC 4-21.5. If an appeal is filed, the final agency determination will be made following a legal proceeding conducted before an Administrative Law Judge. The Department of Natural Resources will be represented by legal counsel at all stages of administrative review.

In order to obtain an administrative review, a written petition must be filed within 18 days of the Mail Date of the Action. The petition must contain specific reasons for the appeal and indicate the portion or portions of the project to which the appeal pertains. The petition can be submitted online by selecting the appropriate File a Petition for Review tile at: in.gov/oalp/file-a-petition-for-review/, or by mail at: Office of Administrative Law Proceedings, 100 N. Senate Avenue, Suite N802, Indianapolis, IN 46204.

SERVICE LIST:

Applicant(s):
Town of Spencer, Jon Pell, 90 North West Street, Spencer, IN 47460

Agent(s):
Commonwealth Engineers Inc, Justin Self, 6325 Digital Way Suite 101, Indianapolis, IN 46278

Adjacent Landowners and Interested Parties:
Owen County Drainage Board, County Surveyor, 60 South Main Street, Suite 202, Spencer, IN 47460
Bean Blossom Patricksburg Water Corporation, Water Company, 86 East Market PO Box 186, Spencer, IN 47460
Indiana Department of Natural Resources, Division of Law Enforcement District 5 Headquarters 1317 West Lieber Road, Suite 2, Cloverdale, IN 46120
Owen County SWCD, 788 Pottersville Road, Spencer, IN 47460
Cheryl Moke, 60 S Main St, Spencer, IN 47460
US Army Corps of Engineers, Louisville District, PO Box 59, Louisville, KY 40201
Heather Huntington, 86 East Market Street, Spencer, IN 47460
Franklin & ONeal Stave LLC, 3568 East Saddlebrook Lane, Bloomington, IN 47401
J&A Real Estate LLC, 4288 Freedom Road, Spencer, IN 47460
Riverside Cemetary Associ C/O Bill Morris, 498 W. Jefferson Street, Spencer, IN 47460
Casebeer Robert E. & Sons Inc., 1784 Parkview Drive, Spencer, IN 47460

ADDITIONAL PERMITTING AGENCIES:

This is not a waiver of any local ordinance or other state or federal law and does not relieve the permittee of any liability for the effects which the project may have upon the safety of the life or property of others.

This does not relieve the permittee of the responsibility of obtaining permits, approvals, easements, etc. under other regulatory programs administered by, but not limited to, the U.S. Army Corps of Engineers, County Drainage Board, Indiana Department of Environmental Management and local, city, or county floodplain management, planning or zoning commissions.