

Why You Should Read This: The document below reviews the environmental impact likely from a State Revolving Fund project. As part of the environmental review, you are entitled to provide comments. If you have concerns about the environmental impact of this project, raise them now. We encourage public input in this decision making process.



IOWA STATE REVOLVING FUND
FINDING OF NO SIGNIFICANT IMPACT

December 2, 2025

To: All Interested Citizens, Government Agencies, and Public Groups

An environmental review has been performed based on the procedures for implementing the National Environmental Policy Act (NEPA), for the proposed agency action below:

Applicant: City of Muscatine

SRF Number: CS1921169 01

County: Muscatine

Iowa DNR Project Number: S2024-0322A

State: Iowa

The City of Muscatine, Iowa is planning an upgrade to their wastewater infrastructure. The city has applied for financial assistance through the State Revolving Fund (SRF) loan program to build the project. The State Revolving Loan Program is a program authorized by the Environmental Protection Agency (EPA) and administered by the Iowa Department of Natural Resources (DNR) in partnership with the Iowa Finance Authority.

The City of Muscatine is located in Muscatine County, Iowa approximately 50 miles southeast of Iowa City, Iowa and 30 miles west of Davenport, Iowa. The population of Muscatine according to the 2020 US Census was 23,797. Muscatine is currently growing at a rate of 0.38% annually and its population has increased by 0.76% since the most recent census, which recorded a population of 23,797 in 2010.

City of Muscatine has a combined sewer system (CSS) in the original portions of the community. The CSS conveys sanitary wastewater and stormwater to the wastewater treatment plant located on Musser Street. In 2007, the City entered into a Consent Order with the EPA (CWA-07-2007-0088) formalizing the City's commitment to separate its combined sewer system.

The purpose of this project is to make improvements to the wastewater collection system to enhance their reliability, increase capacity and to replace obsolete system to safely and reliably operate the City of Muscatine's wastewater system for the next 20 years. Additionally, the City of Muscatine is under an EPA Consent Order (CWA-07-2007-0088) to eliminate their Combined Sewer Overflows (CSO) including those in the West Hill Area by December 31, 2028. A consent order extension from December 31, 2024 to December 31, 2028 was granted by the EPA in October 2012.

Hill Area Sanitary and Storm Sewer Separation Phase 6E includes up to 12,000 feet of new sewers, plus potential storm management features and surface restoration including full width pavement replacement. Construction will be open cut excavation with the potential of some trenchless construction. Sewer depths

could range up to 20' deep. Upon completion, sewage will be separated from storm water and storm water will discharge to the Mississippi River at Papoose Creek Pump Station. Phase 6E sewer work is scheduled along City right of way along streets. Abandonment of sewers along existing UWBS route between Hagerman Dr and Logan Street and 18" sewer branch across private property (1205, 1207, 1211 and 1223 Logan St) to Logan St may occur in Phase 6E once upstream sewers are separated or at a later time. Abandonment improvement may include plugging or filling pipes, removing pipes, and/or daylighting storm sewer to existing unnamed ravines.

The City operates a wastewater treatment plant and combined sewer overflow outfalls that discharge into the Mississippi River and Mad Creek during large storm events. The Mississippi River and Mad Creek are classified as A1, B(WW1), and HH. Class A1 waters are primary contact recreational use waters in which recreational or other uses may result in prolonged and direct contact with the water, involving considerable risks of ingesting water in quantities sufficient to pose a health hazard. Such activities would include, but not be limited to, swimming, diving, water skiing, and water contact recreational canoeing. Waters designated Class B(WW1) are those in which temperature, flow and other habitat characteristics are suitable to maintain warm water game fish populations along with a resident aquatic community that includes a variety of native nongame fish and invertebrates species. These waters generally include border rivers, large interior rivers, and the lower segments of medium-size tributary streams. Waters designated Class HH are those in which fish are routinely harvested for human consumption or waters both designated as a drinking water supply and in which fish are routinely harvested for human consumption.

The project will not significantly affect the pattern and type of land use (industrial, commercial, agricultural, recreational, residential) or growth and distribution of population. The project will not conflict with local, regional or State land use plans or policies. The City must obtain any necessary permits (local, state, federal) prior to construction to mitigate any impacts to wetlands and floodplains that may be present in the project area. Review of the U.S. Fish & Wildlife Service Technical Assistance website indicated that the project will not adversely impact protected species or their habitats. The project will not displace population, alter the character of existing residential areas, or convert significant farmlands to non-agricultural purposes. The project will not have effect on parklands, preserves, other public lands, or areas of recognized scenic or recreational value.

This project will not be receiving federal funds through SRF. As such, this project is not considered a federal undertaking as defined in §300320 under the National Historic Preservation Act, 54 U.S.C. 300101 et seq. for the purpose of the SRF environmental review. If this SRF project receives federal funds from other sources, it is the responsibility of the applicant to ensure all federal requirements are met for that funding.

The project will not have a significant adverse effect upon local ambient air quality provided the applicant takes reasonable precautions to prevent the discharge of visible emissions of fugitive dusts beyond the lot line of the property during the proposed project (567 IAC 23.3(2)“c”). The project will not have a significant adverse effect upon local ambient noise levels, surface water quantity, groundwater quality or quantity, or water supply. No significant impact to surface water quality, fish, shellfish, wildlife, or their natural habitats is expected provided that an NPDES General Permit Number 2 (for storm water discharge associated with construction activities) is obtained and the terms of which are abided by.

Minimum separation distances will be maintained. Noise during construction will be maintained at tolerable levels through controls on construction activities. Any construction debris will be removed from the site for proper disposal. Adverse environmental effects from construction activities will be minimized with proper construction practices, inspection, prompt clean up and other appropriate measures. Areas temporarily disturbed by the construction will be restored.

It has been determined that the proposed action will result in no significant impacts to the surrounding environment. This determination is based on a careful review of the engineering report, the environmental assessment and other supporting data which are on file at the Department of Natural Resources' office in Des Moines, Iowa. These are available for public review upon request. A copy of the environmental assessment is attached. This Department will not take any administrative action on the project for at least thirty (30) calendar days from the above date. Persons disagreeing with the above environmental decision may submit comments to the department during this period. Your comments can be sent to SRF-PC@dnr.iowa.gov or directly to me at karrie.darnell@dnr.iowa.gov or 515-901-6817.

Sincerely,

Karrie Darnell
Environmental Specialist Senior
6200 Park Ave, Suite 200
Des Moines, IA 50321

Enclosures: Environmental Assessment
Project Map

Distribution

List (email): Karmen Heim, Stanley Consultants
Edward Boling, Council on Environmental Quality
Jake Hansen, Iowa Department of Agriculture and Land Stewardship
Ken Sharp, Iowa Department of Health & Human Services
Mindy Wells, Iowa Department of Health & Human Services
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Lee Wagner, Iowa Finance Authority
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Kelly Beard-Tittone, USEPA Region VII
The Muscatine Journal

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IOWA STATE REVOLVING FUND
ENVIRONMENTAL ASSESSMENT DOCUMENT

PROJECT IDENTIFICATION

Applicant: City of Muscatine
County: Muscatine
State: Iowa

SRF Number: CS1921169 01
Iowa DNR Project Number: S2024-0322A

COMMUNITY DESCRIPTION

Location: The City of Muscatine is located in Muscatine County, Iowa approximately 50 miles southeast of Iowa City, Iowa and 30 miles west of Davenport, Iowa.

Population: The population of Muscatine according to the 2020 US Census was 23,797. Muscatine is currently growing at a rate of 0.38% annually and its population has increased by 0.76% since the most recent census, which recorded a population of 23,797 in 2010.

Current Waste Collection System: The City of Muscatine has a combined sewer system (CSS) in the original portions of the community. The CSS conveys sanitary wastewater and stormwater to the wastewater treatment plant located on Musser Street. In 2007, the City entered into a Consent Order with the EPA (CWA-07-2007-0088) formalizing the City's commitment to separate its combined sewer system.

PROJECT DESCRIPTION

Purpose: The purpose of this project is to make improvements to the wastewater collection system to enhance their reliability, increase capacity and to replace obsolete system to safely and reliably operate the City of Muscatine's wastewater system for the next 20 years. Additionally, the City of Muscatine is under an EPA Consent Order (CWA-07-2007-0088) to eliminate their Combined Sewer Overflows (CSO) including those in the West Hill Area by December 31, 2028. A consent order extension from December 31, 2024 to December 31, 2028 was granted by the EPA in October 2012.

Proposed Improvements: West Hill Area Sanitary and Storm Sewer Separation Phase 6E includes up to 12,000 feet of new sewers, plus potential storm management features and surface restoration including full width pavement replacement. Construction will be open cut excavation with the potential of some trenchless construction. Sewer depths could range up to 20' deep. Upon completion, sewage will be separated from storm water and storm water will discharge to the Mississippi River at Papoose Creek Pump Station. Phase 6E sewer work is scheduled along City right of way along streets. Abandonment of sewers along existing UWBS route between Hagerman Dr and Logan Street and 18" sewer branch across private property (1205, 1207, 1211 and 1223 Logan St) to Logan St may occur in Phase 6E once upstream sewers are separated or at a later

time. Abandonment improvement may include plugging or filling pipes, removing pipes, and/or daylighting storm sewer to existing unnamed ravines.

Receiving Stream: The City operates a wastewater treatment plant and combined sewer overflow outfalls that discharge into the Mississippi River and Mad Creek during large storm events. The Mississippi River and Mad Creek are classified as A1, B(WW1), and HH. Class A1 waters are primary contact recreational use waters in which recreational or other uses may result in prolonged and direct contact with the water, involving considerable risks of ingesting water in quantities sufficient to pose a health hazard. Such activities would include, but not be limited to, swimming, diving, water skiing, and water contact recreational canoeing. Waters designated Class B(WW1) are those in which temperature, flow and other habitat characteristics are suitable to maintain warm water game fish populations along with a resident aquatic community that includes a variety of native nongame fish and invertebrates species. These waters generally include border rivers, large interior rivers, and the lower segments of medium-size tributary streams. Waters designated Class HH are those in which fish are routinely harvested for human consumption or waters both designated as a drinking water supply and in which fish are routinely harvested for human consumption.

ALTERNATIVES CONSIDERED

Alternatives Considered: The West Hill Area Separation Program has been ongoing for several years. In 2010 an engineering study titled “West Hill Area Sewer Separation Conceptual Design Report” was prepared. The City is under an EPA Consent Order to eliminate their Combined Sewer Overflows. The 2010 Report provided an overview of the West Hill Area separation program and divided the separation projects into four phases. As the program has progressed, the City reallocated the four separation phases into six.

Reasons for Selection of Proposed Alternative: The No-Action alternative is not viable due to the EPA Consent Administrative Order. The project site was selected for the availability of land, engineering criteria, proximity to existing facilities, hydraulic considerations, as well as minimization of the impacts to the environment.

MEASURES TAKEN TO ASSESS IMPACT

Public Involvement: A public hearing was held on November 18, 2025 at 5:30 PM at the City’s regular council meeting. The public notice of this hearing was made available by publication in the Muscatine Journal on October 14, 2025 and placed on the City website on October 13, 2025 and posted in public locations on October 13, 2025. The purpose of this hearing was to present the environmental and financial impacts of the proposed improvement project. No written or oral comments were received.

Coordination and Documentation with Other Agencies and Special Interest Groups: The following Federal, state and local agencies were provided an opportunity to comment on the proposed project to better assess the potential impact to the environment:

- Citizen Band Potawatomi Indian Tribe
- Flandreau Santee Sioux
- Ho-Chunk Nation
- Iowa Tribe of Kansas and Nebraska
- Iowa Tribe of Oklahoma
- Kickapoo Tribe in Kansas
- Kickapoo Tribe of Oklahoma
- Lower Sioux Indian Community Council
- Miami Tribe of Oklahoma
- Omaha Tribal Council
- Otoe-Missouria Tribe

Pawnee Nation of Oklahoma
Peoria Tribe of Indians of Oklahoma
Ponca Tribe of Indians of Oklahoma
Ponca Tribe of Nebraska
Prairie Band Potawatomi Nation
Prairie Island Indian Community
Sac & Fox Nation of Mississippi in Iowa
Sac & Fox Nation of Missouri
Sac & Fox Nation of Oklahoma
Santee Sioux Nation
Shakopee Mdewakanton Sioux Community
Sisseton-Wahpeton Oyate
Spirit Lake Tribal Council
Three Affiliated Tribes Mandan, Hidatsa & Arikara Nations
Upper Sioux Tribe
Winnebago Tribal Council
Yankton Sioux Tribal Business and Claims Committee
Muscatine Historic Preservation Commission
Muscatine County Historic Preservation Commission

No adverse comments were received from any agencies or general public. Conditions placed on the applicant by the above agencies in order to assure no significant impact are included in the Summary of Reasons for Concluding No Significant Impact section.

ENVIRONMENTAL IMPACT SUMMARY

Construction: Traffic patterns within the community may be disrupted and above normal noise levels in the vicinity of the construction equipment can be anticipated during construction and should be a temporary problem. Adverse environmental impacts on noise quality will be handled by limited hours of contractor work time during the day. Other adverse environmental effects from construction activities will be minimized by proper construction practices, inspection, prompt cleanup, and other appropriate measures. Areas temporarily disturbed by the construction will be restored. Solid wastes resulting from the construction project will be regularly cleared away with substantial efforts made to minimize inconvenience to area residents.

Care will be taken to maintain dirt to avoid erosion and runoff. The proposed project will disturb one or more acres of soil; therefore, the applicant is required to obtain an NPDES General Permit Number 2 (for storm water discharge associated with construction activities) and abide by its terms. Provided that this permit is obtained and the terms of which are abided by, no significant impact to surface water quality, fish, shellfish, wildlife, or their natural habitats is expected.

Temporary air quality degradation may occur due to dust and fumes from construction equipment. The applicant shall take reasonable precautions to prevent the discharge of visible emissions of fugitive dusts beyond the lot line of the property during the proposed project (567 Iowa Administrative Code IAC 23.3(2)“c”). This project does not include construction of equipment that has a potential to emit criteria pollutants or hazardous air pollutants above minor source reporting thresholds.

This project may require the disposal of sewage sludge. It is the responsibility of the applicant to ensure that the disposal of any sewage sludge complies with applicable requirements found in 40 CFR Part 503 and 567 Iowa Administrative Code IAC 67.

Historical/Archaeological: Various Native American tribes with an interest in the area and the Certified Local Government were provided information regarding the project. This project will not be receiving federal funds through SRF. As such, this project is not considered a federal undertaking as defined in §300320 under the National Historic Preservation Act, 54 U.S.C. 300101 et seq. for the purpose of the SRF environmental review. If this SRF project receives federal funds from other sources, it is the responsibility of the applicant to ensure all federal requirements are met for that funding.

However, if project activities uncover any item(s) that might be of archaeological, historical, or architectural interest, or if important new archaeological, historical, or architectural data should be encountered in the project APE, the applicant should make reasonable efforts to avoid further impacts to the property until an assessment can be made by an individual meeting the Secretary of the Interior's professional qualifications standards (36 CFR Part 61).

Environmental: The City must obtain any necessary permits (local, state, federal) prior to construction to mitigate any impacts to wetlands and floodplains that may be present in the project area. The project will not impact any wild and scenic rivers as none exist within the State of Iowa. Review of the U.S. Fish & Wildlife Service Technical Assistance website indicated that the project will not adversely impact protected species or their habitats. However, if any State- or Federally-listed threatened or endangered species or communities are found during the planning or construction phases, additional studies and/or mitigation may be required. No adverse impacts are expected to result from this project, such as those to surface water quantity, or groundwater quality or quantity.

Land Use and Trends: The project will not displace population nor will it alter the character of existing residential areas. The proposed project is within the present corporate limits of Muscatine in areas zoned residential, commercial, or industrial. No significant farmlands will be impacted. This project should not impact population trends as the presence or absence of existing water/sewer infrastructure is unlikely to induce significant alterations in the population growth or distribution given the myriad of factors that influence development in this region. Similarly, this project is unlikely to induce significant alterations in the pattern and type of land use.

Irreversible and Irretrievable Commitment of Resources: Fuels, materials, and various forms of energy will be utilized during construction.

Nondiscrimination: All programs, projects, and activities undertaken by DNR in the SRF programs are subject to federal anti-discrimination laws, including the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and section 13 of the Federal Water Pollution Control Amendments of 1972. These laws prohibit discrimination on the basis of race, color, national origin, sex, disability, or age.

POSITIVE ENVIRONMENTAL EFFECTS TO BE REALIZED FROM THE PROPOSED PROJECT

Positive environmental effects will be improved collection of the wastewater from the City of Muscatine and compliance with the EPA Consent Order. This project should reduce the frequency of raw sewage discharge events to the environment which can pose not only a health and safety hazard to people, but also could be harmful to amphibians, fish, birds, and other wildlife.

SUMMARY OF REASONS FOR CONCLUDING NO SIGNIFICANT IMPACT

- The project will not significantly affect the pattern and type of land use (industrial, commercial, agricultural, recreational, residential) or growth and distribution of population.
- The project will not conflict with local, regional or State land use plans or policies.

- The City must obtain any necessary permits (local, state, federal) prior to construction to mitigate any impacts to wetlands and floodplains that may be present in the project area.
- Review of the U.S. Fish & Wildlife Service Technical Assistance website indicated that the project will not adversely impact protected species or their habitats.
- The project will not displace population, alter the character of existing residential areas, or convert significant farmlands to non-agricultural purposes.
- The project will not have effect on parklands, preserves, other public lands, or areas of recognized scenic or recreational value.
- This project will not be receiving federal funds through SRF. As such, this project is not considered a federal undertaking as defined in §300320 under the National Historic Preservation Act, 54 U.S.C. 300101 et seq. for the purpose of the SRF environmental review. If this SRF project receives federal funds from other sources, it is the responsibility of the applicant to ensure all federal requirements are met for that funding.
- The project will not have a significant adverse effect upon local ambient air quality provided the applicant takes reasonable precautions to prevent the discharge of visible emissions of fugitive dusts beyond the lot line of the property during the proposed project (567 IAC 23.3(2)“c”).
- The project will not have a significant adverse effect upon local ambient noise levels, surface water quantity, groundwater quality or quantity, or water supply.
- No significant impact to surface water quality, fish, shellfish, wildlife, or their natural habitats is expected provided that an NPDES General Permit Number 2 (for storm water discharge associated with construction activities) is obtained and the terms of which are abided by.

THEREFORE:

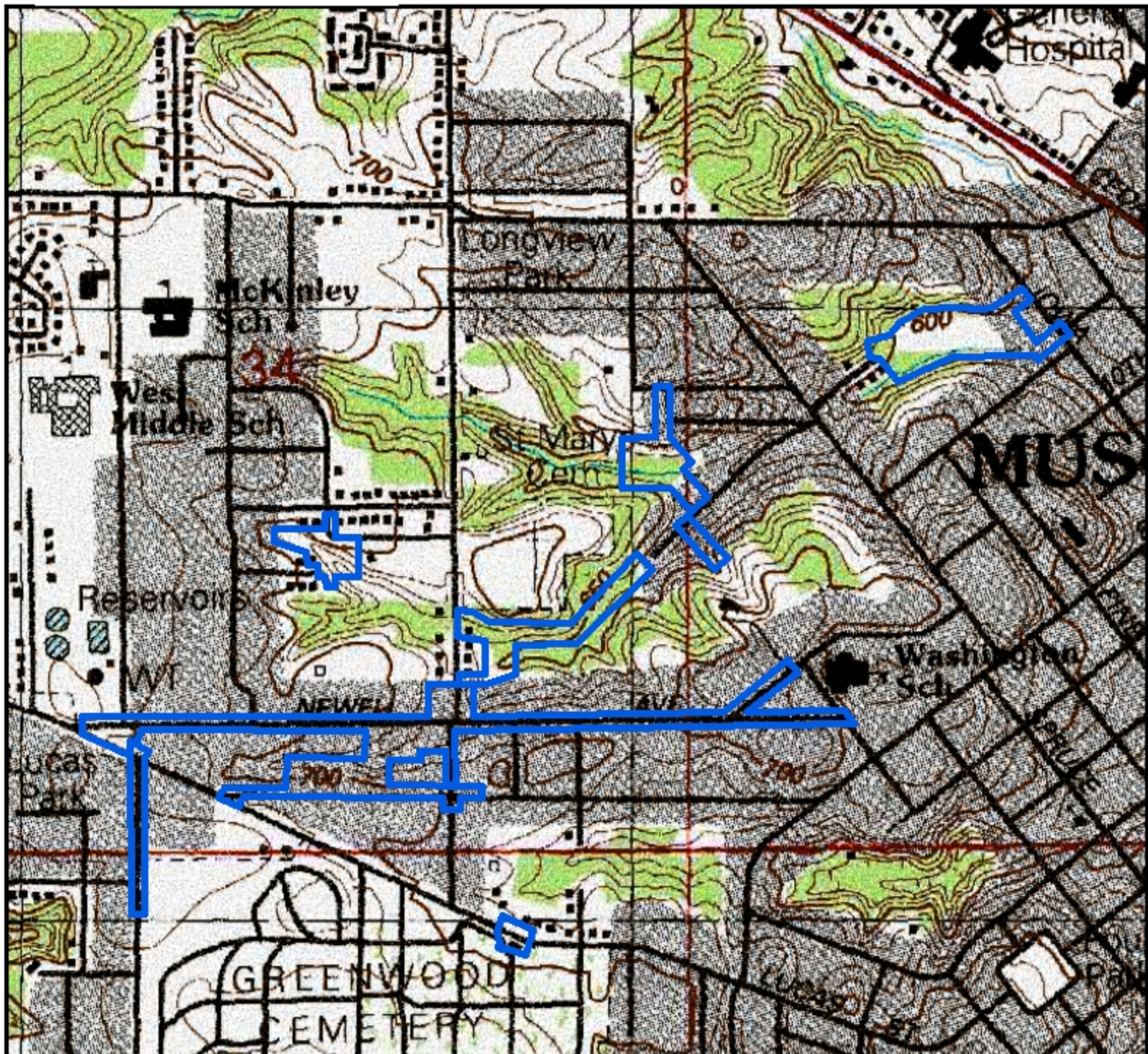
The above project conforms to the criteria in 567 Iowa Administrative Code 92.8(1)“b” for wastewater relating to compliance with the National Environmental Policy Act of 1969. This Environmental Assessment Document (EAD) outlines the justification that the environmental review for the proposed project should be classified as a Finding of No Significant Impact (FNSI) and does not rise to the significance of an Environmental Impact Statement (EIS) in accordance with 40 CFR § 1501.5.

Karrie Darnell

Environmental Review Specialist

State Revolving Fund

Iowa Department of Natural Resources



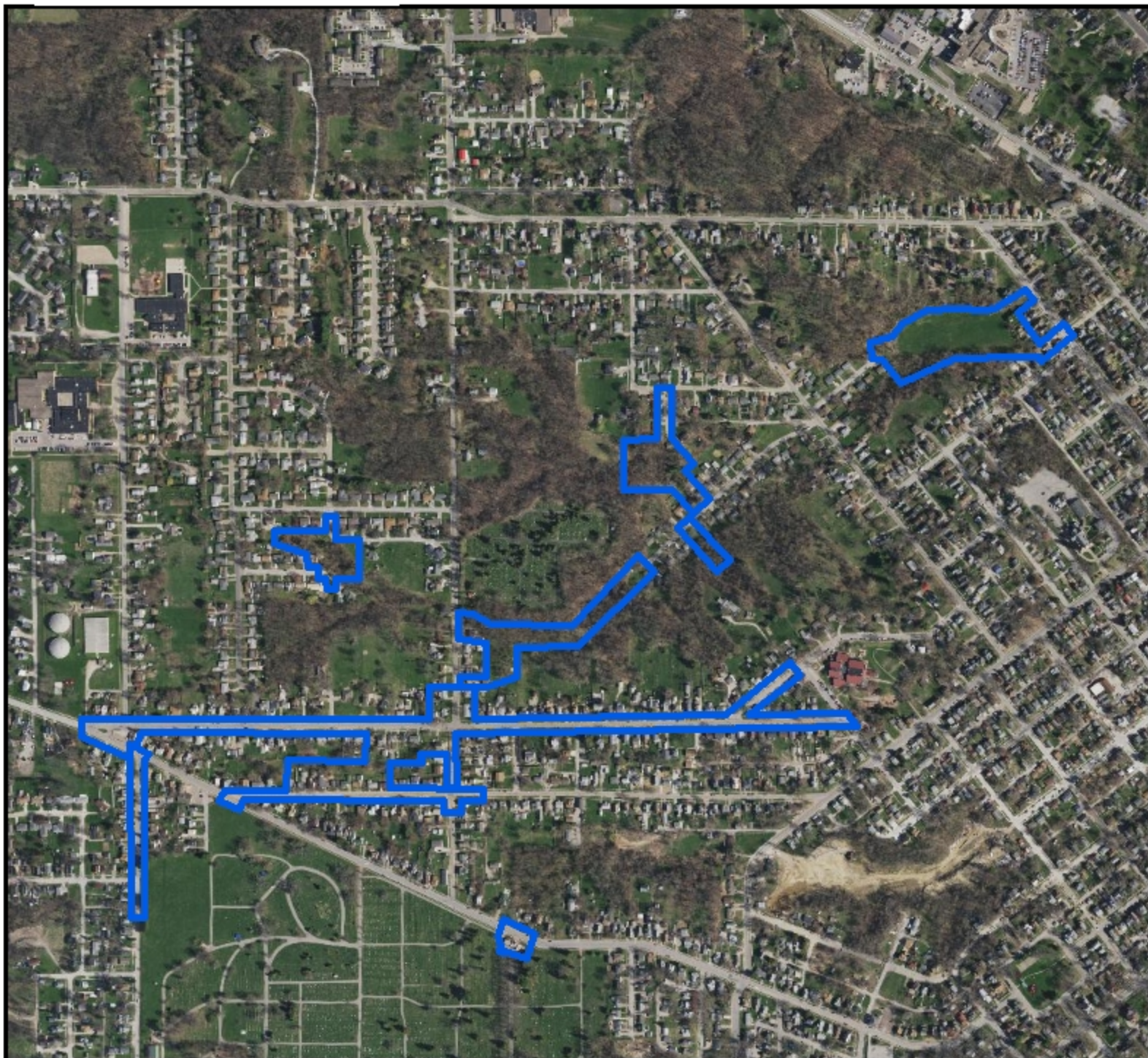
Legend

— 6E Project Area

Scale: 1 inch = 750 feet

Muscatine - West Hill Sewer Separation Phase 6E
Muscatine, IA (Muscatine County, Iowa)





Legend

— 6E Project Area

Scale: 1 inch = 750 feet

Muscatine - West Hill Sewer Separation Phase 6E
Muscatine, IA (Muscatine County, Iowa)

