

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

March 31, 2026

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: Oskaloosa Municipal Water Department

SRF Number: FS-62-26-DWSRF-006

County: Mahaska

Iowa DNR Project Number: W2022-0484

State: Iowa

The Oskaloosa Municipal Water Department (OMWD) is planning an upgrade to their drinking water infrastructure. The OMWD 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. This project will not be receiving federal funds through SRF.

The OMWD is governed by the City of Oskaloosa. The City of Oskaloosa is located in Mahaska County, Iowa approximately 55 miles southeast of Des Moines, Iowa and 22 miles northwest of Ottumwa, Iowa. The population of Oskaloosa according to the 2020 US Census was 11,558 people. The design population equivalent for the year 2042 is 12,180 people.

Currently, the OMWD water supply is sourced from 12 wells located in the shallow alluvial aquifer near the South Skunk River. The raw water supply is classified as ground water under the direct influence of surface water, requiring water treatment and a monitoring schedule of federal drinking water standards that would also be required for a surface water source. Water treatment is completed at the OMWD lime softening water treatment plant. The treatment facility includes aeration, flocculation, sedimentation, re-carbonation, filtration, finished water storage, disinfection, and fluoridation. The finished water is transmitted to the distribution system via three transmission mains that are 10-, 12- and 20- inches in diameter. The original facility at the site was constructed in 1920. The most recent plant upgrade was completed in 2009 and included improvements to the lime softening, high service pump, and chemical feed system. The City's water supply meets all primary drinking water standards at this time.

The current distribution system consists of approximately 407,000 feet of water main piping ranging in size from 2 inches to 20 inches in diameter. The majority of the older piping (making up approximately 49 percent of the existing distribution system) is 4 inches and 6 inches in diameter. The original part of the system was constructed with cast iron and ductile pipe. Currently, PVC is used to replace or extend water mains. OMWD

services the City of Oskaloosa and a few rural customers located along the transmission main or adjacent to City limits. A majority of the mains are undersized and the OMWD is seeking to replace existing water mains and install new water mains to improve system performance, system pressure, and fire flow, and plan for future growth. The OMWD has two elevated storage tanks including a 400,000 gallon "North" tank constructed in 1930 and a 500,000 gallon "South" tank constructed in 1957. The OMWD also has two clear wells located at the water treatment plant for a total effective system storage of 2,150,000 gallons.

The purpose of this project is to make improvements to the distribution system components to enhance their reliability, increase capacity, and to replace an obsolete system to safely and reliably operate the OMWD's water supply system for the next 20 years. The proposed project will construct new PVC trenched water main with a minimum of 5 foot cover along the ditch of a newly constructed roadway between IA Highway 23 and S 11th Street/Merino Avenue, construct water main improvements on S 11th Street/Merino Avenue from Fox Run Drive to 267th Street and continue the new water main along the newly constructed roadway from S 11th Street/Merino Avenue to IA Highway 63. The project will also loop water main from 21st Avenue W. on IA Highway 63 to Luminary Lane and then along Luminary Lane north to 16th Avenue. This will also replace existing 2" and 4" diameter pipes along Luminary Lane. The construction of the new water main will create a loop along the southern part of the water system located within the existing and proposed right-of-way. The project will include new service lines and all other necessary connections and appurtenances.

Positive environmental effects will be maintained water quality for the City of Oskaloosa community that is served by the OMWD. The water distribution system improvements will allow OMWD to continue to provide safe drinking water to the community. 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 project will not impact wetlands provided any necessary permits are obtained and terms of which are abided by. The U.S. Fish & Wildlife Service Information for Planning and Consultation website (IPAC) consultation determined that the project will not impact protected species or their habitats. 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. Endangered Species Act Section 7 consultation is not required for this non-federal SRF project. Section 9 of the Endangered Species Act may apply and other wildlife conservation laws such as the Migratory Bird Treaty Act of 1918 and the Bald and Golden Eagle Protection Act of 1940. 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 affect the 100-year flood plain provided all necessary floodplain development permits, state and local, are obtained and the terms of which are abided by. The project will not have effect on parklands, preserves, other public lands, or areas of recognized scenic or recreational value.

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. 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).

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 Rebecca.FlynnKettman@dnr.iowa.gov or (515) 204-5672.

Sincerely,

Rebecca Flynn Kettman
Environmental Specialist
6200 Park Ave, Suite 200
Des Moines, IA 50321

Enclosures: Environmental Assessment Document
Project Map

Distribution

List (email): Rick Teed, Garden & Associates, Ltd.
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
Chad Sands, Iowa Economic Development Authority
Michael Schmidt, Iowa Environmental Council
Tony Toigo, Iowa Finance Authority
Lee Wagner, Iowa Finance Authority
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Mickey Shields, Iowa League of Cities
Jane Clark, Sierra Club
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Tokey Boswell, USDOJ, National Park Service, Midwest Region

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The Herald

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IOWA STATE REVOLVING FUND
ENVIRONMENTAL ASSESSMENT DOCUMENT

PROJECT IDENTIFICATION

Applicant: Oskaloosa Municipal Water Department
County: Mahaska
State: Iowa

SRF Number: FS-62-26-DWSRF-006
Iowa DNR Project Number: W2022-0484

COMMUNITY DESCRIPTION

Location: The Oskaloosa Municipal Water Department (OMWD) is governed by the City of Oskaloosa. The City of Oskaloosa is located in Mahaska County, Iowa approximately 55 miles southeast of Des Moines, Iowa and 22 miles northwest of Ottumwa, Iowa.

Population: The population of Oskaloosa according to the 2020 US Census was 11,558 people. The design population equivalent for the year 2042 is 12,180 people.

Current Source of Water: Currently, the OMWD water supply is sourced from 12 wells located in the shallow alluvial aquifer near the South Skunk River. The raw water supply is classified as ground water under the direct influence of surface water, requiring water treatment and a monitoring schedule of federal drinking water standards that would also be required for a surface water source.

Current Water Treatment and Quality: Water treatment is completed at the OMWD lime softening water treatment plant. The treatment facility includes aeration, flocculation, sedimentation, re-carbonation, filtration, finished water storage, disinfection, and fluoridation. The finished water is transmitted to the distribution system via three transmission mains that are 10-, 12- and 20- inches in diameter. The original facility at the site was constructed in 1920. The most recent plant upgrade was completed in 2009 and included improvements to the lime softening, high service pump, and chemical feed system. The City's water supply meets all primary drinking water standards at this time.

Current Distribution System: The current distribution system consists of approximately 407,000 feet of water main piping ranging in size from 2 inches to 20 inches in diameter. The majority of the older piping (making up approximately 49 percent of the existing distribution system) is 4 inches and 6 inches in diameter. The original part of the system was constructed with cast iron and ductile pipe. Currently, PVC is used to replace or extend water mains. OMWD services the City of Oskaloosa and a few rural customers located along the transmission

main or adjacent to City limits. A majority of the mains are undersized and the OMWD is seeking to replace existing water mains and install new water mains to improve system performance, system pressure, and fire flow, and plan for future growth. The OMWD has two elevated storage tanks including a 400,000 gallon “North” tank constructed in 1930 and a 500,000 gallon “South” tank constructed in 1957. The OMWD also has two clear wells located at the water treatment plant for a total effective system storage of 2,150,000 gallons.

PROJECT DESCRIPTION

Purpose: The purpose of this project is to make improvements to the distribution system components to enhance their reliability, increase capacity, and to replace an obsolete system to safely and reliably operate the OMWD’s water supply system for the next 20 years.

Proposed Improvements: The proposed project will construct new PVC trenched water main with a minimum of 5 foot cover along the ditch of a newly constructed roadway between IA Highway 23 and S 11th Street/Merino Avenue, construct water main improvements on S 11th Street/Merino Avenue from Fox Run Drive to 267th Street and continue the new water main along the newly constructed roadway from S 11th Street/Merino Avenue to IA Highway 63. The project will also loop water main from 21st Avenue W. on IA Highway 63 to Luminary Lane and then along Luminary Lane north to 16th Avenue. This will also replace existing 2" and 4" diameter pipes along Luminary Lane. The construction of the new water main will create a loop along the southern part of the water system located within the existing and proposed right-of-way. The project will include new service lines and all other necessary connections and appurtenances.

ALTERNATIVES CONSIDERED

Alternatives Considered: OMWD evaluated and prioritized 24 different water distribution system improvements projects throughout the service area to replace undersized mains, provide looping, and eliminate dead ends or areas of high maintenance.

Reasons for Selection of Proposed Alternative: The No-Action alternative is not viable due to the several improvements needs within the distribution system. OMWD prioritized the improvements projects based on known conditions of system components today, developments within the community, and aging pipes. The project site was selected for the availability of land (a new road and right-of-way is already confirmed for a majority of the proposed project area), the location of existing infrastructure, as well as minimization of the impacts to the environment. OMWD is seeking a construction easement for the installation of the water main.

MEASURES TAKEN TO ASSESS IMPACT

Public Involvement: A public hearing was held on March 9, 2026 at 3:00 p.m. at the Oskaloosa Water Board regular meeting. The public notice of this hearing was made available by publication in The Herald on January 24, 2026 and placed on the OMWD website on January 13, 2026. 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 may be provided an opportunity to comment on the proposed project to better assess the potential impact to the environment:

- U.S. Army Corps of Engineers
- Iowa DNR Conservation and Recreation Division
- Iowa DNR Flood Plain Management Section
- 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 Tribe of Nebraska
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 Tribe
Oskaloosa Historic Preservation Commission

No adverse comments have been 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”).

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 area, 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 project area was screened for the presence of wetlands, floodplains, and sovereign lands. SRF notified the applicant that additional permit applications for this project may be necessary. The applicant 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. Once these applications are submitted by the SRF applicant, the DNR Flood Plain Management Section will determine if the proposed project requires a permit for impacts to the 100-year floodplain and the U.S. Army Corps of Engineers will determine if the project will impact wetlands or jurisdictional waters of the United States. The project will not impact any wild and scenic rivers as none exist within the State of Iowa.

Endangered Species Act Section 7 consultation is not required for this non-federal SRF project. Section 9 of the Endangered Species Act may apply and other wildlife conservation laws such as the Migratory Bird Treaty Act of 1918 and the Bald and Golden Eagle Protection Act of 1940. The U.S. Fish & Wildlife Service Information for Planning and Consultation website (IPAC) consultation determined that the project will not 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. 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 maintained water quality for the City of Oskaloosa community that is served by the OMWD. The water distribution system improvements will allow OMWD to continue to provide safe drinking water to the community.

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 project will not impact wetlands provided any necessary permits are obtained and terms of which are abided by.
- The U.S. Fish & Wildlife Service Information for Planning and Consultation website (IPAC) consultation determined that the project will not impact protected species or their habitats. 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. Endangered Species Act Section 7 consultation is not required for this non-federal SRF project. Section 9 of the Endangered Species Act may apply and other wildlife conservation laws such as the Migratory Bird Treaty Act of 1918 and the Bald and Golden Eagle Protection Act of 1940.
- 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 affect the 100-year flood plain provided all necessary floodplain development permits, state and local, are obtained and the terms of which are abided by.
- The project will not have effect on parklands, preserves, other public lands, or areas of recognized scenic or recreational value.
- 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.
- 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).
- 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 44.10(3) 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.

Rebecca Flynn Kettman

Environmental Review Specialist

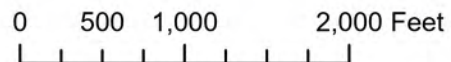
State Revolving Fund


Iowa Department of Natural Resources



Oskaloosa Municipal Water Department Water Distribution System Improvements Oskaloosa, IA (Mahaska County)

Legend



 Proposed Project Area