

FINDING OF NO SIGNIFICANT IMPACT

Sierra Pines Regional Water Treatment Facility
Tuolumne County, California

Rural Development
Rural Utilities Service
U.S. Department of Agriculture

Tuolumne Utilities District
Sonora, CA

Prepared by:
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A. INTRODUCTION

The Tuolumne Utilities District (TUD) plans to submit a financing request to the U.S. Department of Agriculture, **Rural Development (RD)** to construct the proposed **Sierra Pines Regional Water Treatment Facility Project** (Project or Proposed Action) in **Tuolumne County, California**. RD is considering this financing request. Prior to taking a federal action (i.e., providing financial assistance), RD is required to complete an environmental impact analysis in accordance with the National Environmental Policy Act of 1969 (NEPA) (U.S.C. 4231 et seq.), the Council on Environmental Quality's (CEQ) regulations for implementing NEPA (40 CFR Parts 1500-1508), and RD's NEPA implementing regulations, Environmental Policies and Procedures (7 CFR Part 1970). After completing an independent analysis of an environmental report prepared by TUD and its consultant, RD concurred with its scope and content. In accordance with 7 CFR § 1970.102, RD adopted the environmental report and issued it as the Agency's Environmental Assessment (EA) for the Proposed Action. RD finds that the EA is consistent with federal regulations and meets the standards for an adequate environmental assessment. TUD published a newspaper notice, announcing the availability of the EA for public review, in accordance with 7 CFR § 1970.102. In addition, RD considers the Proposed Action an undertaking subject to review under Section 106 of the National Historic Preservation Act (NHPA), 16 USC 470(f), and its implementing regulation, "Protection of Historic Properties" (36 CFR Part 800).

B. PROJECT DESCRIPTION AND PURPOSE/NEED

The overall purpose of the Proposed Action is to enhance reliability of the water supply, improve the integrity of TUD's infrastructure, and increase efficiency of service through regional water treatment facility consolidation. TUD currently operates eleven surface water treatment facilities, and four groundwater systems, all contained within twelve permitted water systems. Many of these water systems were installed decades ago by private developers and other entities before being acquired by TUD and are near to or beyond their useful life and in need of replacement or rehabilitation. For TUD, continuing to operate and maintain these facilities presents operational and cost challenges, which has led to the need for water systems upgrades and improvements and, where feasible, to consolidate local systems and create centrally located regional facilities to improve water treatment and conveyance reliability. Although TUD does not have a formal policy to seek acquisition, it is recognized by the State Water Resources Control Board's Division of Drinking Water and Tuolumne County Environmental Health as the preferred receiver for many of these local water systems that are struggling to meet drinking water standards and/or to keep up with on-going maintenance requirements. The Project, as proposed, would support the long-term viability of TUD and provide multiple inter-related benefits to TUD and its customers. RD has reviewed the purpose and need for the Project and determined that the Proposed Action will meet the present and future needs of TUD.

C. ALTERNATIVES EVALUATED

1. No Action

Under the No Action Alternative, RD would not provide financial assistance to TUD, and/or the Proposed Action would not be constructed and operated. This alternative would not assist TUD in providing consolidated water treatment facilities and associated necessary infrastructure to replace its deteriorating facilities and would not meet any of TUD's project objectives. The EA identified adverse environmental effects (such as potential water quality violations from the deteriorating facilities) associated with a No Action Alternative.

2. Action Alternative (Preferred Alternative)

Under the Action Alternative, RD would consider financing the Proposed Action, and TUD would construct and operate the Sierra Pines Regional Water Treatment Facility. The Proposed Action includes construction of a 30 acre foot raw water reservoir (sized to accommodate Tuolumne Main Canal annual maintenance water outages), a raw water pump station, on-site water conveyance pipelines, a water treatment facility using pretreatment, granular media filtration, ultraviolet disinfection, two clearwells to accommodate 1 million gallons of potable water storage, associated appurtenances, connection to TUD's water distribution system including backflow prevention, and up to 4 miles of off-site pipelines, installed predominantly within existing utility rights-of-way. Recreational amenities and interpretive signage are also proposed to support existing uses for portions of the 46-acre Project area.

3. Alternatives Eliminated from Further Consideration

In addition to the No Action Alternative and Action Alternative, in its Treated Water System Optimization Plan, TUD considered multiple geographic scenarios or siting alternatives, which are documented in the **Alternatives** section of the EA (refer to EA Exhibit D1, Treated Water System Optimization Plan Memo and Exhibit D2, Alternatives Analysis Memo). Three of the seven preliminary alternatives were eliminated from detailed evaluation because of one or more of the following factors: 1) the alternative was not cost effective; 2) the alternative did not achieve the objective to consolidate the water system to improve efficiency; 3) the alternative was not able to phase the consolidation effectively or; 4) the alternative negatively impacts the (environmental conditions or quality of) the raw water system. Four alternatives were examined for feasibility and cost/benefit; one (the Preferred Alternative) was ultimately evaluated for detailed environmental review.

D. SUMMARY OF ENVIRONMENTAL EFFECTS

The analyses in the EA documented that the Proposed Action would have no adverse effects to aesthetics, hydrology and water quality, recreation, utilities/service systems, agriculture and forestry, greenhouse gas emissions, land use planning, population and housing, energy, mineral resources, public services, human health and safety, and socioeconomics and environmental justice. A brief summary of the issue areas evaluated in the EA is provided along with the reasoning for the effects determinations. A summary of anticipated impacts on the human environment is also provided below, including any mitigation measures deemed necessary to avoid or minimize impacts. TUD is responsible for

implementing the mitigation measures consistent with the Mitigation Monitoring and Reporting Plan provided as EA (Exhibit J).

Land Use: As described in the EA, the site of the Proposed Action is owned by TUD and was recently rezoned through Tuolumne County as Public (P) which is consistent with the proposed uses. The proposed off-site water conveyance pipelines would be within existing rights-of-way and approved easements. Land use and farmland were reviewed as part of the environmental analysis. The Proposed Action would not occur upon agricultural lands. There are no important farmland designations nor formerly classified lands associated with the site. No other land uses would be impacted by the Proposed Action and no mitigation measures are necessary.

Floodplains: The Proposed Action is not within a mapped floodway or in a flood hazard zone, as described in the Initial Study and EA (Figure F). As the Proposed Action would have no impacts associated with floodplains, no mitigation measures are necessary.

Wetlands: A formal aquatic resources (wetland) delineation was conducted on the site of the Proposed Action to identify potentially jurisdictional wetlands and waters of the United States. As described in the EA, the Project site contains approximately 2.45 acres of potentially jurisdictional wetlands, the majority of which will not be impacted by the Proposed Action. Approximately 0.41 acres of wetland habitat would be impacted. Wetland habitat types present and potentially affected by the proposed action include freshwater emergent wetlands, wetland swale, and pond. Where impact avoidance cannot be achieved, the Proposed Action would comply with the terms and conditions of the Section 404 Clean Water Action Nationwide Permit issued by the US Army Corps of Engineers (USACE). To reduce potential effects to wetlands and to ensure that the Project complies with the Consolidated Farm and Rural Development Act (ConAct) requirements, Mitigation Measures Wetland-1 and Wetland-2 [described in Section 3.6.1 (7)] have been incorporated into the Amended Mitigation Monitoring and Reporting Program. Additional mitigation is provided to identify wetland boundaries, to limit invasive species, and to ensure no net loss of wetland and riparian habitats. The applicable wetland mitigation measures for the Proposed Action are as follows:

- Mitigation Measure Wetlands-1: Identify Wetland Boundaries
- Mitigation Measure Wetlands-2: No Rural Utilities Funds to be used for wetland impacts.
- Mitigation Measure BIO-4: No Net Loss of Wetland and Riparian Habitats
- Mitigation Measure WEED-1: Limit Spread of Invasive Species.

Water Resources: As described in the Initial Study and EA, there are no effluent discharges associated with the Proposed Action. There are no natural waterways in the vicinity of the Proposed Action. The closest surface water is Sullivan Creek, approximately two miles south of the Sierra Pines site. There are two existing raw water conveyance ditches at the northern limit of the site, namely the Section IV Ditch (owned and operated by TUD/the applicant) and the Tuolumne Main Canal (owned and operated by PG&E). These (surface) water conveyance ditches would be the source of raw water to serve the Proposed Action. No groundwater would be used for source water, as noted in the EA. The Proposed Action is consistent with the Tuolumne County General Plan and Tuolumne County Water Quality Plan and would comply with all

applicable federal, state, and local requirements with respect to water quality. In particular, the Proposed Action would be required to prepare and implement a hazardous materials business plan and stormwater pollution prevention plan, both of which would outline specific best management practices to protect water resources. Stormwater will be managed upon the site through a constructed stormwater retention basin and in a manner consistent with the terms of the State Water Resources Control Board Construction General Permit and associated stormwater pollution prevention plan requirements. As no adverse effects to water resources would occur, no mitigation measures are necessary.

Coastal Resources: The Proposed Action is located in Tuolumne County approximately 120 miles inland from the Pacific Ocean. Therefore, the Project site is not located in the Coastal Zone and would have no effect with respect to coastal resources or coastal barrier resources and no mitigation measures are necessary.

Biological Resources: As described in the Initial Study and referenced in the EA, existing biological resources at the project site were identified through a combination of literature reviews and queries to the California Department of Fish and Wildlife Natural Diversity Database, the U.S. Fish and Wildlife Service list of federal endangered and threatened species, the California Native Plant Society Inventory of Rare and Endangered Plants, as well as field and focused botanical surveys conducted at the Project Site by qualified ESA biologists and a wetland delineation conducted by Salix Consulting.

No federally listed species (under Section 7 of the Endangered Species Act) were identified in the EA as having a potential to occur upon the Project site. Impacts to state listed wildlife species, migratory birds, and their associated habitats would be minimized through implementation of mitigation measures requiring preconstruction surveys for state-listed special-status species: nesting birds, bats, and Western pond turtles. Additional mitigation to limit the spread of noxious weeds was also included in the EA. The applicable mitigation measures to protect biological resources are as follows:

- Mitigation Measure BIO-1 Perform Pre-Construction Surveys for Western Pond Turtles
- Mitigation Measure BIO-2: Perform Pre-Construction Surveys for Nesting Special Status and Common Migratory Birds
- Mitigation Measure BIO-3: Perform Pre-Construction Surveys for Special Status Bats
- Mitigation Measure BIO-4: No Net Loss of Wetland and Riparian Habitats
- Mitigation Measure WEED-1: Limit Spread of Invasive Species

Cultural, Historic, and Tribal Cultural Resources: To assess presence of cultural, historic, and tribal cultural resources within the Proposed Action's area of potential effect (APE), research and site reconnaissance was conducted. The methods used to identify historic properties include consultation with local experts, information record searches conducted by staff at the Central California Information Center of the California Historical Resources Information System at Cal State Stanislaus followed by review of the Built Environment Resource Directory for Tuolumne County, historic topographic maps, and aerial imagery. Two pedestrian-level field surveys were performed by (Secretary of the Interior-qualified) registered professional archaeologists (on June 12th and 23rd, 2020). Native American Heritage Commission (NAHC) tribal

consultation record searches were also conducted and TUD sent notification letters by certified mail to tribal representatives providing information about the Proposed Action. State Historic Preservation Officer (SHPO) concurrence with a finding of no adverse effect (under Section 106 of the National Historic Preservation Act) was received on June 28, 2022.

Mitigation measures are provided and will be implemented to address inadvertent discovery of human remains and cultural or tribal cultural resources, and for the protection of historic properties. A list of the applicable mitigation measures to protect cultural, historic, and tribal cultural resources is as follows:

- Mitigation Measure CUL-1: Cultural Resources Monitoring Plan
- Mitigation Measure CUL-2: Protocols for inadvertent discovery of cultural or historic resources
- Mitigation Measure CUL-3 Protocols for inadvertent discovery of human remains
- Mitigation Measure CUL-4 Cultural resources monitoring and post review discovery plan
- Mitigation Measure CUL-5: Protocols for unanticipated historic properties.

Aesthetics (Visual): As described in the Initial Study and EA, TUD has developed a low-profile design for the raw water storage pond with native plantings to minimize visual effect perceptible to the public. The water treatment facility is proposed to be sited within a forested area of the Project site to use the natural setting and minimize visual intrusion upon the landscape. Implementation of the Proposed Action would not result in impacts to the visual character of the Project site and no mitigation measures are necessary. At the request of TUD's Board of Director and incorporated into the Amended Mitigation Monitoring and Reporting Program, the Propose Action will implement the following measure:

- AES-1 Dark Sky Lighting. All lighting fixtures shall be dark-sky type, shielded, or directed downward to limit effects to the surroundings and local residences, consistent with Tuolumne County guidelines.

Air Quality: The site of the proposed action is in unincorporated Tuolumne County (Mountain Counties Air Basin), which is designated as a nonattainment area for the State ozone standards and the federal 8-hour ozone standard. Tuolumne County is designated as unclassified or attainment for all other federal and state criteria air pollutant standards. Air emissions modeling was conducted (using CalEEMOD, version 2016.3.2) to determine if the proposed action would exceed the identified air quality standards. Results of the air emissions modeling concluded that emissions associated with the proposed action would be below the thresholds of significance and under the federal "de minimis" limits. To ensure control of fugitive dust emissions during construction, dust control mitigation measures would be implemented by TUD and/or its designated contractor.

- Mitigation Measure AQ-1 Dust Control Measures

Socio-Economic Impact Assessment/ Environmental Justice: To assess socioeconomic and environmental justice considerations within the vicinity of the Proposed Action, the USEPA screening tool EJScreen was utilized. The EJScreen results indicate that no minority populations are present and that only one low-income population block(CT 21) is present in the vicinity of the

Proposed Action. Based on the environmental justice and socioeconomic analysis conducted for the EA, although a low-income population resides in the vicinity of the Proposed Action, the implementation of Project would not result in any environmental effects which could be disproportionately high or adverse for those communities compared to others in the study area or to the reference population. As the Project would not result in adverse human health or environmental effects on minority or low-income populations, no mitigation measures would be necessary.

Noise and Vibration: Construction and operation of the Proposed Action would conform to local requirements identified in the Tuolumne County General Plan. However, such activities would involve the use of large equipment that could generate noise potentially impacting nearby receptors. To address construction and operational noise and allow for appropriate notifications, mitigation measures would be implemented. Noise reduction measures and neighbor notification is specified through the required construction noise management plan and other mitigation measures, which would reduce effects to less-than-significant levels. Operational noise will be reduced through attenuation measures and monitored to maintain compliance, as specified in the required mitigation monitoring and reporting program. Mitigation is also required to prohibit vibratory construction activities near historic wooden structures. The Proposed Action's applicable mitigation measures to address potentially adverse noise and vibration effects are as follows:

- Mitigation Measure NOI-1a: Construction Noise Management Plan
- Mitigation Measure NOI-1b: Notification and Noise Disturbance Coordinator
- Mitigation Measure NOI-2: Noise from Operational Equipment
- Mitigation Measure NOI-3: Prohibit Vibratory Construction Activities Near Historic Wooden Structures

Transportation: Under the Proposed Action, at minimum seven existing facilities would be consolidated. Therefore, operation of the Proposed Action is anticipated to result in a beneficial net reduction in vehicle miles traveled for the TUD's operations staff (compared to existing conditions). During construction of the Proposed Action, temporary lane closures would be required along Middle Camp and Phoenix Lake roads resulting in a potentially significant impact to local traffic circulation patterns. Impacts would be reduced through mitigation measures requiring development and implementation of a construction traffic management plan. The construction traffic management plan would manage roadway lane closures to maintain safety and allow passage for emergency vehicles during construction activities.

- Mitigation Measure TRAF-1: Prepare and Implement Construction Traffic Management Plan

Human Health and Safety: As described in the EA, the Proposed Action has been designed to limit the need for extensive energy intensive infrastructure. Although the Proposed Action would be adjacent to rural residences, the anticipated (electrical) operating load would be well below levels that have any effect on human health. There are no recognized environmental conditions identified in a Phase I or II Environmental Site Assessment and no records of existing hazardous materials sites within the site boundary. The Proposed Action is not located upon or in the vicinity of a USEPA State superfund site or priority cleanup site. Additionally, the EA assumes that the Proposed Action would be compliant with regulatory requirements governing the use,

storage, handling, and transport of hazardous materials and that measures would be taken to prevent the release of such substances during construction, operation, and maintenance of the Proposed Action. Existing health and safety concerns due to the location within a very high fire hazard severity zone were disclosed in the EA. Mitigation measures to reduce fire risk would be implemented for the Proposed Action as discussed in the subsection below.

- Mitigation Measure WIL-1: Fire Prevention Plan

Wildfire: The Proposed Action would be located in a very high fire hazard severity zone, as identified by the California Department of Fire and Forestry. Potential fire hazards during construction include heat or sparks from vehicles and other ignition risks. Operation of the Proposed Action could also result in a minor increased risk of ignition on the Project site. To address impacts associated with an increased potential wildfire risk attributed to construction and operation of the Project, mitigation is provided to require development and implementation of a Project-specific fire prevention plan. With implementation of this measure, the risk of fire ignition would be reduced to less than significant levels.

- Mitigation Measure WIL-1: Fire Prevention Plan.

E. PUBLIC AND AGENCY INVOLVEMENT

A local newspaper advertisement announcing the availability of the EA and participation under Section 106 of the National Historic Preservation Act, was published for three consecutive days on **July 27, 28, 29, 2022** in the **Union Democrat Newspaper, Tuolumne County, California**. The notice of availability of the EA included preliminary public notice of potential impacts to wetlands associated with the Proposed Action. A copy of the EA was available for public review at **Tuolumne Utilities District Main Office 18885 Nugget Blvd. Sonora, CA 95370** and upon TUD's website: (<https://tudwater.com/development-services/environmental-documents/>). The **14-day** comment period ended on **August 10, 2022**. RD received one (1) comment from an environmental organization (Central Sierra Environmental Resource Center) that had previously commented on the California Environmental Quality Act Initial Study and Mitigated Negative Declaration (IS/MND) in October 2020. Concerns were expressed in the comment about potential impacts to waterfowl that may be attracted to the proposed sludge lagoons. The response to this comment noted that TUD has incorporated design measures to deter waterfowl from accessing the sludge lagoons. Additionally, the response noted that the raw water pond and other pond enhancements would provide better quality habitat and for this reason would be more likely to be accessed by waterfowl (as opposed to the proposed sludge lagoons). The comment also expressed support for RD funding and project approval and recommended specific (additional) mitigation to eradicate bullfrogs upon the site. Because the EA and IS/MND did not identify the existing presence of bullfrogs as an impact resulting from the Proposed Action, the comment response concluded that the commenters' recommendation would not be considered mitigation. The response noted that eradication measures may be considered outside the process of the environmental review (in consultation with the jurisdictional resource agencies).

F. FINDING OF NO SIGNIFICANT IMPACT

Based on its EA that analyzes the direct, indirect, and cumulative effects of the Proposed Action, with implementation of the identified applicable mitigation, RD has concluded that the Proposed Action would have no significant effects to land use, floodplains, wetlands, water resources, coastal resources, biological, cultural, tribal cultural resources, historic properties, aesthetics, air quality, socioeconomic/environmental justice, noise, transportation, human health and safety, and wildfire. The Proposed Action will have no effects on historic properties listed or eligible for listing on the National Register of Historic Places and no effects to federally listed species or designated critical habitat. The Proposed Action would not disproportionately affect minority or low-income populations.

In accordance with the National Environmental Policy Act, as amended (42 U.S.C. 4321 et seq.), the Council on Environmental Quality Regulations (40 CFR 1500-1508), and RD's Environmental Policies and Procedures (7 CFR Part 1970), RD has determined that the environmental impacts of the Proposed Action have been adequately addressed and that no significant impacts to the quality of the human environment would result from construction and operation of the Proposed Action. Any final action by RD related to the Proposed Action will be subject to, and contingent upon, compliance with all relevant federal and state environmental laws and regulations. Because RD's action will not result in significant impacts to the quality of the human environment, RD will not prepare an Environmental Impact Statement for its potential federal action associated with the proposed Project.

G. RD LOAN REVIEW AND RIGHT OF ADMINISTRATIVE REVIEW

This Finding of No Significant Impact (FONSI) is not a decision on a loan application and therefore not an approval of the expenditure of federal funds. Issuance of the FONSI and its notices concludes RD's environmental review process. The ultimate decision on loan approval depends upon conclusion of this environmental review process in addition to financial and engineering reviews. Issuance of the FONSI and publication of notices will allow for these reviews to proceed. The decision to provide financial assistance also is subject to the availability of loan funds for the designated purpose in RD's budget. There are no provisions to appeal this decision (i.e., issuance of a FONSI). Legal challenges to the FONSI may be filed in Federal District Court under the Administrative Procedures Act.

H. APPROVAL

This Finding of No Significant Impact is effective upon signature.

Dated: October 13, 2022

Luis Andrade
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For additional information on this FONSI and EA, please contact **Sara Brookes, Community Programs Specialist, USDA Rural Development, 3800 Cornucopia Way, Ste. E, Modesto, CA 95358, Phone: 209-287-3639, Email: sara.brookes@usda.gov**