

Attachment 3F(1)

Explanatory Note for Natural Resources Conservation Service Report February 1, 2010

This note provides NRCS' responsibility to report to the Council on Environmental Quality regarding actions and activities funded by Division A funds of section 1609 of the American Recovery and Reinvestment Act of 2009 (ARRA). The attached spreadsheet identifies the level of environmental compliance documentation prepared for all approved projects as of December 31, 2009, and denotes the number of approved projects with pending environmental compliance documentation. The reporting spreadsheet is cumulative and includes information on approved projects since NRCS' last report on September 30, 2009. Several corrections are noted concerning the number of projects approved and the types of environmental compliance documents prepared.

NRCS has three programs funded through ARRA: Watershed Rehabilitation, Floodplain Easements (FPE), and Watershed Operations. NRCS has two treasury symbols for program funding because FPEs and Watershed Operations share the same treasury symbol (Treasury Symbol: 12-1073) under the Title of Watershed and Flood Prevention Operations.

Watershed Rehabilitation (rows 1 – 21)

As noted in previous reports, one of the 27 original approved watershed rehabilitation projects was withdrawn from the program because after field verification, it was determined that the dam was a low hazard dam and the hazards were not actually in the breach zone. Because the dam is a low hazard dam, it is not eligible for Watershed Rehabilitation funding. There are now 26 approved projects under our Watershed Rehabilitation Program.

Of those 26 approved projects, 23 projects have completed environmental documentation:

- 15 projects have Environmental Assessments (EA) completed;
- 7 projects are covered under a State-wide Programmatic Environmental Impact Statement (PEIS), which is used after a documented review using the agency's environmental evaluation process; and
- 1 project (MA-Su-As-CO MA 301) has been categorically excluded (previously reported as a pending EA).

Since the last ARRA report, NRCS completed EA for Switzer Creek in Kansas (row 8). As a result, there are now 15 EAs that have been completed. The completion dates reported for the 15 EAs is the date the Finding of No Significant Impact was issued. The completion date for the PEIS is the signature date of the Record of Decision.

Pending Environmental Compliance Documentation for Watershed Rehabilitation

There are three Watershed Rehabilitation projects (3 EAs) that are carrying over on this reporting period. These projects are still pending completion of environmental documentation and are in

the process of obtaining permits or concluding consultations for other applicable environmental laws. The completion dates will be entered in future ARRA reports.

Watershed and Flood Prevention Operations (rows 22 – 314)

Currently, there are 340 projects under the Watershed and Flood Prevention Operations appropriation funding. This is further broken down into 114 ARRA projects for watershed operation (rows 22-98) and 226 projects for FPE restoration actions (rows 99-314).. These numbers are different than those reported in the second report. Details about misreporting, withdrawals, and additions are noted below.

Watershed Operations

There are 114 ARRA projects for watershed operations. There are several EAs that are associated with multiple projects. When projects have been combined into one NEPA action, this has been noted on page 2 of the spreadsheet.

Of these 113 projects, 112 have completed environmental documentation:

- 3 projects were covered under 3 CEs;
- 73 projects were covered under 50 EAs; and
- 36 projects were covered under 23 EISs

Pending Environmental Compliance Documentation for Watershed Operations

There is currently one EA for Fox Creek in Kentucky (row 36) that has been carried over for a second reporting period because other environmental documentation was required. Specifically, the project is waiting for the landowner to obtain a CWA 404 permit. This EA was originally reported in the second report and is a carryover project.

Floodplain Easements

Since the last reporting period, 25 projects (1 EA covering 14 projects and 11 individual CEs for various States) were withdrawn due to the landowner declining to participate in the program for a total of 92 withdrawn actions under Floodplain Easements. As a result of these projects being withdrawn, the total number projects covered by a categorical exclusion, Programmatic EIS, or EA have changed. Currently, there are 226 projects listed under FPE restoration.

Since the first report, the agency promulgated new categorical exclusions, which NRCS is now using for environmental compliance. 215 out of the current 226 floodplain projects use this categorical exclusions.

Of those 226 projects, 199 projects for this reporting period have completed environmental documentation and 27 projects have pending environmental compliance documentation:

- 188 projects covered by individual Categorical Exclusions;
- 10 projects covered under a Programmatic Environmental Impact Statement (PEIS);
- 1 project is covered under an EA;
- 25 projects are pending completion of CE documentation; and
- 2 projects are pending completion of an EA.

In the second report, it was noted that there were 31 projects covered under a PEIS. For the current reporting period, 21 projects have prepared documentation for a categorical exclusion rather than be covered by the Programmatic EIS. As a result, there are only 10 projects as noted above covered by a Programmatic EA (row 99).

One other correction since the last report concerns three Projects in Oregon (1 project in Yamhill County and 2 separate projects in Marion County) that were listed in the last report as pending completion of a categorical exclusion. After field verification of data, one project in Marion County (3551) is currently preparing an EA (row 314) while the other two projects have prepared documentation stating they are to be covered under the Emergency Watershed Protection Programmatic EIS rather than prepare documentation invoking a categorical exclusion (row 99).

Pending Environmental Compliance Documentation for Floodplain Easements

There are 27 FPE projects (Maine, Ohio, Oregon, New York, and West Virginia) that are listed as pending completion of environmental documentation (25 CEs; 2 EAs). Of these, 20 CEs and 2 EAs are pending projects that have been carried over since the last report (rows 179, 236, 241, 243, 244, 245, 247, 25, 314 (11 CEs), and 314). The 20 CEs are waiting for the landowner to obtain permits or conclude consultations for other applicable environmental laws. The completion dates will be entered in future ARRA reports.

For the two EAs pending environmental compliance documentation, the Maine project in Sagadahoc (row 179) and the Marion County project (row 314) are awaiting completion of consultation requirements under the Endangered Species Act (ESA). The Marion County, Oregon project was incorrectly listed as a pending CE in the last report and has been corrected in this report to show an EA pending (row 314). This project is preparing an EA and is awaiting completion of consultation requirements under ESA.

NEPA Benefits

Calaveras Creek Site 6, Rehabilitation Project in Texas (row 19) Environmental Assessment, FONSI signed August 7, 2009

The project is a watershed rehabilitation project repairing structural components of a dam. While completing the NEPA process, it was noted that a prehistoric bedrock mortar cultural feature was identified and documented during an archeological survey of the project Area of Potential Effect. The feature is unique in that no other bedrock mortars are known in this area of Texas. Design measures are planned to avoid adverse effects to the feature by covering it with appropriate protective fill material. If the site had not been properly surveyed and analyzed during the NEPA process, the cultural feature may not have been discovered, documented, and plans made to properly preserve it during the rehabilitation of Calaveras Site 6.

Gering Valley Watershed Operations Project in Nebraska (row 93) Environmental Assessment

The project is a watershed operations project which is installing a drain system for an existing dam. The original dam was built before NEPA became law; and, therefore, not all of the environmental resource concerns identified through this current EA were identified. Based on the analysis completed for NEPA, NRCS will not select the originally planned alternative that had design features that would have affected natural prairie resources in the project area and potentially impacted the visual aesthetics for the adjacent Scott's Bluff National Monument viewshed. Instead, another alternative analyzed in the EA that avoids those specific natural prairie resources and addresses landscape/viewshed concerns will be selected. Thus, this project has benefited from the NEPA process by identifying the need to protect native prairie areas as well as protecting scenic beauty and visual aesthetics for the Scott's Bluff National Monument. (USDA, Natural Resources Conservation Service spreadsheet page 2, row 19).

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