

Attachment 3F(1)

Explanatory Note for Natural Resources Conservation Service Report May 3, 2010

This note provides NRCS' 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 March 31, 2010, and denotes the number of approved projects with pending environmental compliance documentation. The reporting form is cumulative and includes information on approved projects since NRCS' last report on December 31, 2009. A few 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As noted in previous reports, one of the 27 original approved watershed rehabilitation projects was withdrawn from the program because after field verification, it was determined that the dam was a low hazard dam and the hazards were not actually in the breach zone.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.

Since the last report, 3 additional projects of the 27 originally approved watershed rehabilitation projects (listed as EAs) were withdrawn from the program because of land right issues (row 12- Watershed Rehabilitation project MA 303, row 15- Watershed Rehabilitation project NY- Conewango Creek, and row 16- Watershed Rehabilitation project NY- Little Choconut). This brings the total cumulative Watershed Rehabilitation projects that have been withdrawn to 4 since reporting began (see page 1 of the NRCS Spreadsheet).

There are now 23 approved projects under our Watershed Rehabilitation Program. Of those 23 approved projects, 22 projects have completed environmental documentation:

- 14 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).

The completion dates reported for the 14 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 is one Watershed Rehabilitation project (row 14 – Watershed Rehabilitation project NY-Conewango Creek) that is carrying over for a second reporting cycle. This project is still pending completion of environmental documentation and is in the process of obtaining permits and 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 337 projects under the Watershed and Flood Prevention Operations appropriation funding. This is further broken down into 113 ARRA projects for watershed operation (rows 22-98) and 224 projects for Floodplain Easement Component (FPE) restoration actions (rows 99-314). These numbers are different than those reported in the third report. Details about misreporting, withdrawals, and additions are noted below.

Watershed Operations (rows 22 - 98)

There are 113 ARRA projects for watershed operations (in the previous report, this figure was misreported as 114), There are several EAs that are associated with multiple projects. When projects have been combined into one National Environmental Policy Act (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 Categorical Exclusions (CE);
- 73 projects were covered under 50 EAs; and
- 36 projects were covered under 23 Environmental Impact Statements.

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 third reporting period because other environmental documentation was required. Specifically, the project is waiting for the landowner to obtain a Clean Water Act 404 permit. This EA was originally reported in the second report and is a carryover project.

Floodplain Easements (rows 99-314)

Currently, there are 224 projects listed under FPE restoration. Of those 224 projects, 210 projects for this reporting period have completed environmental documentation and only 14 projects have pending environmental compliance documentation. In the last report, the total number of projects for floodplain easements was incorrectly reported as 226 projects and should have been correctly reported as a total of 232. For this report, a correction was made for Row 313 that also affects the total number of floodplain projects. Specifically, eleven projects were cited in the last report as being categorically excluded. After further field verification, the total

projects that have been categorically excluded for Row 313 is three projects. This brings the corrected total number of floodplain projects down from 232 to 224. Because a CE was previously misreported for each of these eight projects, the NRCS Spreadsheet reflects that the total number of NEPA actions is reduced by eight.

- 198 projects covered by individual CEs;
- 10 projects covered under a PEIS;
- 2 projects are covered under two EAs;
- 12 projects are pending completion of CE documentation; and
- 2 projects are pending completion of two EAs.

The following corrections were made to rows 261-263 on the spreadsheet:

Row 261: The project description was changed and a CE completed on 8/1/09 was change to a pending CE.

Row 262 was shown in the last report as having a CE completed on 8/1/09 and currently is shown as pending completion of a CE.

Row 263 incorrectly showed this was an EA completed for a Pennsylvania project and now correctly shows that this is a project in Rhode Island with a CE completed on 8/21/09.

Pending Environmental Compliance Documentation for Floodplain Easements

There are 14 FPE projects (Maine, North Dakota, Ohio, and Pennsylvania) that are listed as pending completion of environmental documentation (12 CEs; 2 EAs). Of these, 12 CEs and 2 EAs are pending projects that have been carried over since the last report. The 12 CEs are waiting for the landowner to obtain permits or conclude consultations for other applicable environmental laws (rows 229, 236, 241, 243, 244, 245, 246, 247, 254, 256, 261, 262, and 263). The completion dates will be entered in future ARRA reports.

There are 2 projects that are carryover projects for 2 reporting cycles (rows 179 and 263). One project is the Maine Sagadahoc (row 179); the project EA is awaiting completion of consultation requirements under the Endangered Species Act (ESA). The other EA (row 263) pending completion is in Marion County, Oregon, (3551) and was incorrectly listed as a CE in the second report. This project has been engaged in preparing an EA and is awaiting completion of consultation requirements under ESA.

NEPA Benefits

Calaveras Creek Site 6, Rehabilitation Project in Texas EA, Finding of No Significant Impact 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 cover the features with appropriate protective fill material so that adverse effects are avoided. If the site had not been surveyed and analyzed during the NEPA process, the cultural feature may not have been discovered and documented, and NRCS would not have been able to make plans to properly preserve it during the rehabilitation of Calaveras Site 6. (NRCS spreadsheet, page 2, row 19).

Gering Valley Watershed Operations Project in Nebraska (row 93) EA

This is a watershed operations project that involves installment of 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 would have 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. (NRCS spreadsheet page 2, row 19).

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