

Attachment 2F(1)

Explanatory Note for NRCS Report November 5, 2010

This memorandum is to transmit the reporting form which fulfills NRCS' responsibility to report to the Council on Environmental Quality (CEQ) on the actions and activities funded by ARRA. The attached form identifies the level of environmental compliance documentation prepared for all approved projects as of September 30, 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 June 30, 2010. 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, and Watershed Operations. NRCS has two treasury symbols for program funding because Floodplain Easements and Watershed Operations share the same treasury symbol (Treasury Symbol: 12-1073) under the title of Watershed and Flood Prevention Operations. Total obligations increased by \$84,675,578 over last quarter's report.

Watershed Rehabilitation (rows 1 – 21 and 380)

As noted in previous reports, one of the 27 originally approved watershed rehabilitation projects was withdrawn from the program because, after field verification, it was determined that the dam was a low hazard dam and the hazards were not actually in the breach zone.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.

In the quarterly report dated March 31, 2010, NRCS reported that 3 additional projects of the 27 originally approved watershed rehabilitation projects (listed as Environmental Assessments (EA)) were withdrawn from the program because of land right issues (row 12- Watershed Rehabilitation project MA 303, row 15- Watershed Rehabilitation project NY- Conewango Creek,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).

In the last quarterly report dated June 30, 2010, two additional projects (row 14- Watershed Rehabilitation project NY- Conewango Creek listed as a pending EA and row 20- Watershed Rehabilitation project TX- Plum Creek listed as an EA) withdrew due to land rights issues. This brings the cumulative total Watershed Rehabilitation projects that have withdrawn to six since reporting began (see page 1 of the NRCS spreadsheet).

Within this past quarter, one new watershed rehabilitation project was added and is for the City of Wilbur on row 380.

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

- 14 projects have EAs completed;

- 7 projects are covered under a statewide 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.

Watershed and Flood Prevention Operations (rows 22 – 379)

Currently, there are 393 projects under the Watershed and Flood Prevention Operations appropriation funding. This is further broken down into 120 ARRA projects for watershed operations (rows 22-104 and 379) and 273 projects for Floodplain Easement (FPE) Component restoration actions (rows 105-378). Please note there are several individual EAs that are associated with multiple projects and, thus, total project numbers are more than total complete environmental reviews. Also, please note there are some changes in total numbers in this report due to misreporting, withdrawals, and additions which are noted below.

Watershed Operations (rows 22 -104 and 379)

There are now 120 ARRA projects for watershed operations. 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.

One new watershed operations project, Mud River row 379, was added this past quarter and has all NEPA documentation completed for it. Thus, there are now 120 watershed operations projects for this quarter.

All 120 watershed operations projects have completed environmental documentation for this reporting cycle:

- 5 projects were covered under 5 Categorical Exclusions (CE);
- 75 projects were covered under 52 EAs; and
- 40 projects were covered under 27 Environmental Impact Statements (EIS).

Correction to Reporting

One project that had been listed as pending completion of an EA for the past three reporting cycles has been further reviewed and determined eligible to be categorically excluded. The Fox Creek project in Kentucky (row 39) has completed documentation to support the use of a categorical exclusion.

Floodplain Easements (rows 105-378)

Currently, there are 273 approved projects listed under FPE restoration. Of those 273 projects, 230 projects for this reporting period have completed environmental documentation and 43 projects have pending environmental compliance documentation. The change in totals from the

last report was due to 35 new projects being approved for funding under the program since the last quarterly report. During this reporting period, there were 2 floodplain easement projects that withdrew from the program on rows 107 and 109. The projects withdrew due to the inability to secure land rights. The 35 new approved projects are noted on rows 343, and 345-378.

- 220 projects covered by individual CEs;
- 8 projects covered under a PEIS;
- 2 projects are covered under 2 EAs;
- 42 projects are pending completion of CE documentation; and
- 1 project is pending completion of an EA.

The following corrections were made to row 248 in the last quarterly report on June 30, 2010, on the spreadsheet:

Row 248: The project was reported as withdrawn in the last report, but after negotiations with the landowner the project has been reapproved for funding. A CE memo is pending completion along with concluding other consultation and permitting requirements.

The following corrections were made to row 105 for this quarterly reporting period:

Row 105: The number of projects “tiering” to an EIS has been changed from 10 in previous reports to 8 for this reporting period. The two projects listed as “tiering” to an EIS for Oregon have re-evaluated the projects and determined that a categorical exclusion could be utilized instead. Changes have been made to the spreadsheet to note this.

Another correction that has been made for this reporting period concerns double counting of one project in the last quarterly report. Row 238 for the project in Somerset, New Jersey, from the June 30, 2010, reporting period has been deleted from this report, as it was double counted.

The last correction for floodplain easements is one additional project not previously recorded in the last report in row 340 for Tennessee. This project was not included in the last quarterly report, but has been captured for this reporting period.

Pending Environmental Compliance Documentation for Floodplain Easements

There are 43 FPE projects (Maine, Illinois, Iowa, Indiana, Tennessee, Ohio, North Dakota, Pennsylvania, and Wisconsin) that are listed as pending completion of environmental documentation (42 CEs; 1 EA). Of these, 11 CEs are pending projects that have been carried over three reporting periods. The 11 CEs are waiting for the landowner to obtain permits or conclude consultations for other applicable environmental laws (rows 241, 246-252, 259, 261-262, and 267).

There are 11 CEs for pending projects that are being carried over for two reporting cycles. The 11 CEs are waiting for the landowner to obtain permits or conclude consultations for other applicable environmental laws (rows 331-333, 337-342, and 344). The completion dates will be entered in future ARRA reports.

There is one project that is a carryover project for four reporting cycles (row 185): the Maine Sagadahoc floodplain easement project (row 185). The project EA is awaiting completion of consultation requirements under the Endangered Species Act (ESA).

There are 20 newly approved projects in this reporting period that do not have completed environmental documentation yet (rows 347-366). The completion dates will be entered in future ARRA reports.

NEPA Benefits

Calaveras Creek Site 6, Rehabilitation Project in Texas (row 19) 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,

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and NRCS would not have been able to make plans to properly preserve it during the rehabilitation of Calaveras Site 6.

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 were identified through this current EA. 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 view shed. Instead, another alternative analyzed in the EA that avoids those specific natural prairie resources and addresses landscape/view shed concerns will be selected. Thus, this project has benefited from the NEPA process by identifying the need to protect native prairie areas and scenic beauty and visual aesthetics for the Scott's Bluff National Monument. (USDA, Natural Resources Conservation Service spreadsheet page 2, row 19).

Carolina Mountain Land Conservancy ARRA-FPE project in Henderson County, North Carolina (row 207) CE with Environmental Evaluation Documentation

ESA consultation for the Carolina Mountain Land Conservancy ARRA-FPE project in Henderson County, North Carolina (row 207), resulted in a collaborative partnership with the

Fish and Wildlife Service and other funders to restore, enhance, and protect recovery habitat for federally-listed endangered Bunched Arrowhead (*Sagittaria fasciculata*), a small plant that inhabits early succession saturated wetlands. A restoration design is being produced to provide appropriate hydrologic regimes and light levels to restore and expand habitat for the rare plant. An existing colony of Bunched Arrowhead has been temporarily removed from the site for conservation while the floodplain and wetland are restored. When restoration is completed, the Bunched Arrowhead will be re-introduced to the site.

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