

Attachment 2F(1)

Explanatory Note for USDA Natural Resource Conservation Service (NRCS) Report November 2, 2011

The attached report reflects the National Environmental Policy Act (NEPA) status of NRCS projects and activities funded by ARRA through September 30, 2011. This report is cumulative and includes information on approved projects since NRCS' last report on June 30, 2011. 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 (WO). NRCS has two treasury symbols for program funding because FPE and WO share the same treasury symbol (Treasury Symbol: 12-1073) under the title of Watershed and Flood Prevention Operations.

Watershed Rehabilitation (rows 1-21 and 389)

As noted in previous reports, 1 of the 27 originally approved watershed rehabilitation projects was withdrawn from the program because, after field verification, it was determined that the dam was a low-hazard dam and the hazards were not actually in the breach zone.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of the 27 originally approved watershed rehabilitation projects (listed as Environmental Assessments (EA)), were withdrawn from the program because of land rights issues (row 12- Watershed Rehabilitation project MA 303, row 15- Watershed Rehabilitation project NY- Conewango Creek,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 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Creek, listed as a pending EA, and row 20- Watershed Rehabilitation project TX- Plum Creek, listed as an EA) were withdrawn due to land rights issues. In the last report, one additional project was withdrawn from the program. The Switzler Creek project in Kansas (row 8- Watershed Rehabilitation project KS- Switzler Creek) was withdrawn because the sponsors initially thought they had their cost share funded, but discovered that Kansas State law did not allow them to finance construction using the method they had planned.

Since ARRA funds had to be obligated prior to October 31, 2010, the sponsors were not able to certify they had their share of funds available, the project was withdrawn from ARRA funding, and funds were requested under the regular Watershed Rehabilitation Program. This action brought the cumulative total Watershed Rehabilitation projects that have withdrawn to 7 since reporting began (see page 1 of the NRCS spreadsheet).

In the seventh report, 1 new watershed rehabilitation project was added and is for the city of Wilbur on row 380. The row number has now changed due to previously non-reported projects being added to this spreadsheet. The city of Wilbur project is now on row 389 of the spreadsheet.

There are currently 21 approved projects under the Watershed Rehabilitation Program. Of those 21 approved projects, all now have completed environmental documentation:

- 13 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 13 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 22–388)

Currently, there are 401 active projects under the Watershed and Flood Prevention Operations appropriation funding. This includes 120 ARRA projects for WO (rows 22-104 and 388), and 281 active projects for FPE Component restoration actions (rows 105-387). Please note there are several individual EAs that are associated with multiple projects, and total project numbers are more than total complete environmental reviews. Also, 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 388)

For this reporting period, there were no changes or updates for the WO ARRA funded projects. There are 120 ARRA projects for WO. There are several EAs associated with multiple projects. When projects have combined into one NEPA action, it has been noted on page 2 of the spreadsheet.

One WO project, Mud River (row 388), was added in the seventh report and all NEPA documentation is complete.

All WO 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 previous 3 reporting cycles was 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 CE.

Floodplain Easements (rows 105–387)

Currently, there are 281 approved projects listed under FPE restoration. One project was withdrawn in the last report due to inability to secure land rights (row 365- North Dakota FPE Conservation Activities-3726).

As noted in the March 2011 reporting cycle, one other project had been withdrawn from the program due to the inability to secure land rights (row 247- Ohio FPE Conservation Activities-Lake 3531).

Correction to Reporting

Nine projects (Rows 378–385 and Row 387) were inadvertently not reported previously and have been added to the last quarterly report. All 9 projects have completed NEPA documentation to support the use of a CE. All corrections to total numbers have been corrected in this report.

All 281 projects have completed environmental documentation:

- 271 projects covered by individual CEs;
- 8 projects covered under a PEIS; and
- 2 projects are covered under 2 EAs.

The following corrections were made to row 248 in the quarterly report on June 30, 2011:

Row 248: The project was reported as withdrawn in the last report, but after negotiations with the landowner, the project had been reapproved for funding. A CE memo was prepared for this project.

The following corrections were made to row 105 for the last quarterly report on December 31, 2010:

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

Another correction made in the seventh ARRA report concerns counting of one project twice in the last quarterly report. Row 238 for the project in Somerset, New Jersey, from the June 30, 2011, reporting period has been deleted from this report, as it was counted twice.

The last correction for FPE was one additional project not previously recorded in the seventh report in row 340 for Tennessee. This project was not included in the sixth quarterly report, but was captured in the seventh quarterly reporting period.

For this reporting period, one FPE project (Pennsylvania) that has been listed as pending completion of environmental documentation is now complete. This project was a carryover project for four reporting cycles previous to this report. The CE project was pending for several reporting periods because the landowner needed to obtain permits from the State before concluding the environmental review process (row 366).

NEPA Benefits

While completing the EA for NRCS's Calaveras Creek Watershed Rehabilitation Project (Row 19) to repair structural components of a dam in Texas, a prehistoric bedrock mortar cultural feature was identified. If the site had not been properly surveyed and analyzed during the NEPA process, the cultural feature may not have been discovered and documented.

The bedrock mortars are unique in this area of Texas. Design measures are planned to avoid adverse effects to the feature by covering it with appropriate protective fill material.

The NRCS's Gering Valley WO Project in Nebraska is a watershed operations project which is installing a drain system for an existing dam. The original dam was built before NEPA became law; therefore, not all of the environmental resource concerns were identified. Based on the analysis completed for NEPA, NRCS opted not to select the original 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, an alternative was analyzed in the EA and selected that avoids those specific natural prairie resources and addresses the landscape and viewshed concerns. 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.

During the NEPA review of the Carolina Mountain Land Conservancy ARRA-FPE project in Henderson County, North Carolina, NRCS consultation with the U.S. Fish and Wildlife Service (FWS) resulted in a collaborative partnership with FWS and others 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 reintroduced to the site.

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