

**ADDENDUM
to the
ENVIRONMENTAL IMPACT REPORT
and
SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT
to the
ENVIRONMENTAL IMPACT STATEMENT
for the
SAN JOSÉ NONPOTABLE RECLAMATION PROJECT
now known as the
SOUTH BAY WATER RECYCLING PROGRAM**

October 13, 2009

Purpose and Background

The City of San José certified a Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project, now known as the South Bay Water Recycling Program (SBWR), on November 18, 1992. This EIR evaluated the City's overall water recycling program and provided project-level analysis for those pipelines and users that had been identified at that time. Sixteen Addenda to the FEIR have been adopted subsequent to its certification. The Addenda addressed additional pipelines and other facilities to serve users within the original Program area, where impacts were determined to have been fully evaluated in the original Program EIR. These Addenda and the SBWR projects they cover are listed below:

- Addendum #1 – Diversion Facility (August 1995)
- Addendum #2 – Changes to Golden Triangle facilities (December 1995)
- Addendum #3 – Expanded Phase I Area (April 1996)
- Addendum #4 – Miscellaneous Golden Triangle items (May 1996)
- Addendum #5 – Deferred/Infill Projects (June 1998)
- Addendum #6 – Stage 1 Pipeline Extensions (November 1999)
- Addendum #7 – Additional Santa Clara and Milpitas Pipeline Extensions (December 1999)
- Addendum #8 – Silver Creek Pipeline (September 2001)
- Addendum #9 – Central Park (SC-6) Pipeline (September 2003)
- Addendum #10 – City of Santa Clara Realignment (August 2003)
- Addendum #11 – San José Infill Extension Projects (July 2004)
- Addendum #12 – SJ/SC (SJ12) Connector and Related Extensions (February 2005)
- Addendum #13 – Zone 3 Reservoir and Pipeline (March 2005)
- Addendum #14 – Airport Main (SJ-19) Extension (August 2009)

- Addendum #15 – Industrial 1 Pipeline Extension (September 2009)
- Addendum #16 – Santa Clara Central Park (October 2009)

In addition to the Addenda listed above, the City of San José prepared the following CEQA documentation for the Phase 2 Pipelines, which extended pipelines in Milpitas, Santa Clara and San José, and slightly expanded the program area:

- Initial Study/Environmental Assessment for the South Bay Water Recycling Program Phase 2 (May 2000), which led to the adoption of a Negative Declaration in July 2000

Because the project is funded in part by the U.S. Bureau of Reclamation (USBR), NEPA documentation has also been prepared for the project, as listed below:

- Final EIS – May 1996
- Record of Decision for EIS – July 1996
- Final EA/FONSI – December 1996

The Addenda described above also are considered supplemental information to the NEPA documents. The Industrial 2 (Phase 1C-1) pipeline will serve areas previously described in the CEQA/NEPA documents.

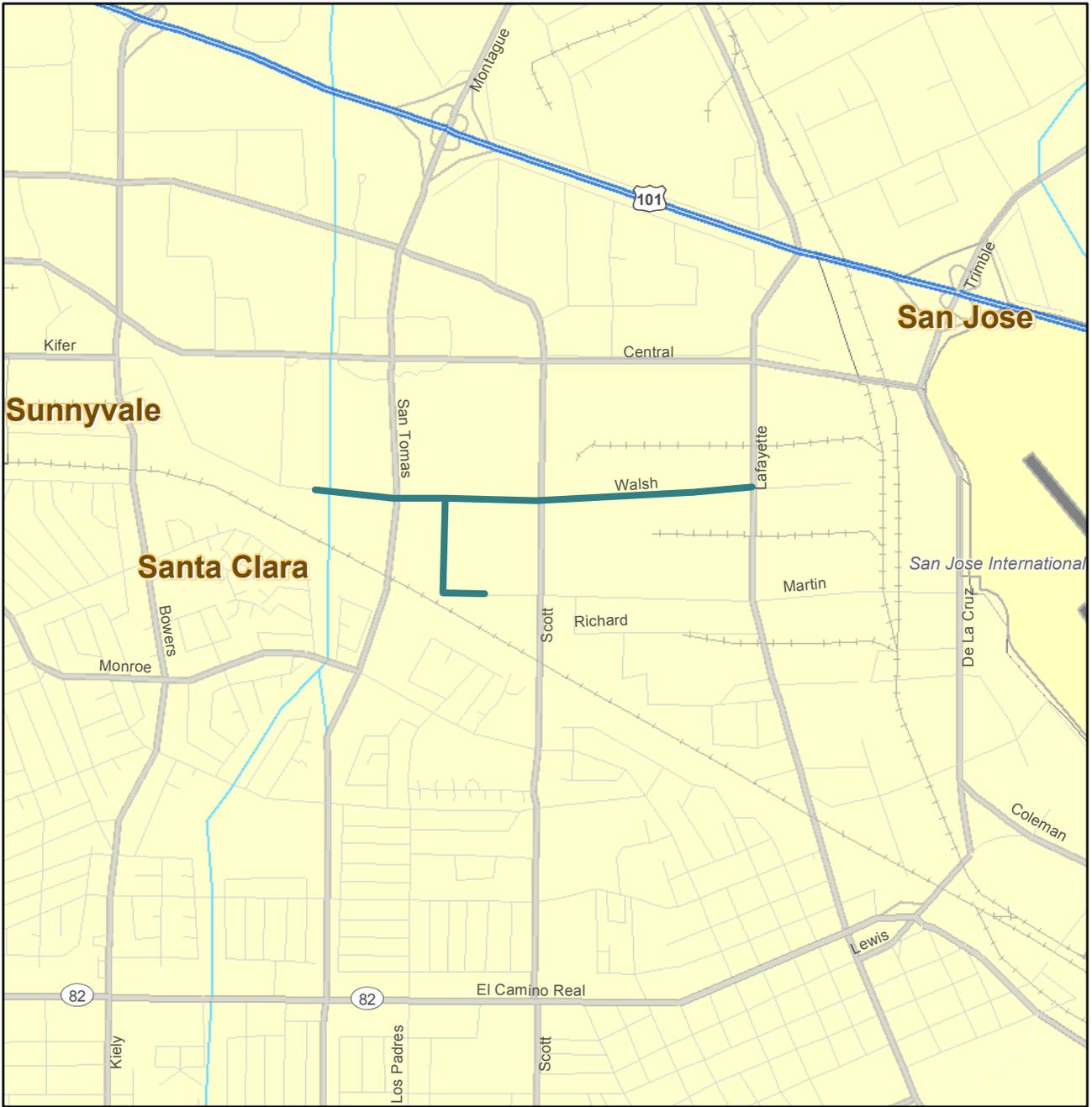
Since the preparation of the most recent Addendum an additional pipeline extension within the original Program area has been identified for construction as part of the SBWR Program. This pipeline, termed Santa Clara Industrial 2, will connect to the existing pipeline on Lafayette Street in the City of Santa Clara, and will provide recycled water to additional customers within the Program area. The additional users will help fulfill the Program's goal of diverting an additional 20 million gallons per day (mgd) of effluent from discharge to the south San Francisco Bay to beneficial reuse in the Program area. The purpose of this Addendum is to document that environmental review for this pipeline either has already been accomplished through previously certified environmental documents or to provide additional review where required. Construction of the pipelines is scheduled to begin in the 2009/2010 Fiscal Year. This Addendum has been prepared in accordance with Section 15164 of the California Environmental Quality Act (CEQA) Guidelines, which state that an Addendum to a previously certified EIR may be prepared if only minor technical changes or additions to the EIR are necessary. The U.S. Bureau of Reclamation (USBR) may also use this Addendum for National Environmental Policy Act (NEPA) compliance.

Description of Pipeline Extension

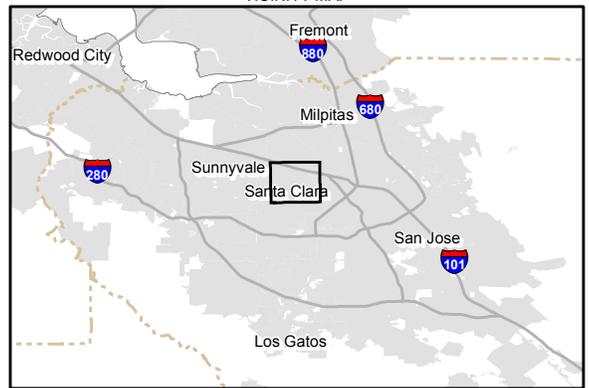
Figure 1 shows the Industrial 2 pipeline extension, which is addressed in this document. The pipeline segments and their environmental review status are listed below:

TABLE 1
Industrial 2 Pipeline Extension

Extension	Street Segments Included	Environmental Review Status
Industrial 2	Walsh Avenue San Tomas Expressway (crossing) Lafayette Street (crossing) Scott Boulevard (crossing) Martin Avenue	Addressed at program level but not at project level in existing environmental documents



VICINITY MAP



LEGEND

 SANTA CLARA INDUSTRIAL 2

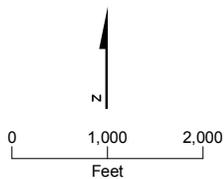


FIGURE 1
Santa Clara Industrial 2
Pipeline Extension

South Bay Water Recycling Program, California

The environmental analysis in this Addendum addresses this pipeline extension, which is described in more detail below:

Santa Clara Industrial 2 Extension

This extension is located within the City of Santa Clara and will provide recycled water for landscaping irrigation in the project vicinity. The extension includes a total of about 7,150 feet of 12-inch pipeline that will be placed in Walsh Avenue (5,450-feet) and terminate on the west side of the San Tomas Aquino bridge. In addition, a spur will be constructed along Martin Avenue for approximately 1,700-feet south of Walsh Avenue. The pipeline will be connected to the existing recycled water system, which currently runs along Lafayette Street just north of Martin Avenue. On Walsh Avenue, the proposed 12-inch recycled water pipeline will be connected to the existing 24-inch recycled water main on Lafayette Street, running west on Walsh Avenue, and end at the west side of San Tomas Aquino Creek where the pipeline will be attached to the bridge structure on the north side. Work is expected to occur in the fall of 2009 and may be constructed concurrently with the Walsh Avenue Sanitary Sewer Improvements project. This route is shown in Figure 2. The 12" recycled water lines will be installed using open-cut method, except at the San Tomas Expressway crossing that will be bore and jack construction.

Operation

Proposed recycled water users are consistent with those described in the 1992 EIR. Operation of the pipelines would be the same as described in previous environmental documents and would be similar to operation of the existing potable water distribution system, with the addition of safeguards for use of recycled water. Signs would be posted to notify the public of areas where recycled water is being used. Pipelines and taps supplying recycled water at user sites would be identified.

Construction Methods

Construction of the pipelines would occur within existing roadway rights-of-way, using the "cut and cover" method. This method involves excavating an open trench sized to accommodate the size of the pipe, laying pipe, and replacing and compacting soil to refill the trench. The trench is then restored to original or better condition. Construction equipment would typically occupy approximately 20 to 26 feet of the affected roadway. Crossing of San Tomas Expressway would be constructed using the bore and jack method. This method involves excavating a pit on either side of the area to be crossed. The pipeline is then installed by "jacking" or tunneling between the two pits. This method is more time consuming than the cut and cover technique, but allows the installation of pipeline without disrupting the surface along the whole length of the pipe.

Setting

The environmental setting of the South Bay Water Recycling Program area has been described in Sections 3.1 through 3.16 of the 1992 Environmental Impact Report (City of San José, 1992), the Final Environmental Impact Statement (U.S. Bureau of Reclamation, 1996), and the Environmental Assessment for the Revised South Bay Water Recycling Program (U.S. Bureau of Reclamation, 1996). This information was updated and expanded to include new areas in south San José in the Initial Study/Environmental Assessment for the South

Bay Water Recycling Program Phase 2 (City of San José, 2000). The following environmental analysis section provides a summary description of the setting, including any changes from the information provided in those documents.

The project area is urbanized, with land uses including commercial, industrial, and public uses. The zoning designations for the project area include both Light and Heavy Industrial (ML and MH, respectively), Planned Development (PD), and Public or Quasi Public (B). The majority of the project area is zoned for industrial uses.

Environmental Analysis

The pipeline extension evaluated in this Addendum is located in an area that has been previously addressed in certified environmental documents, as noted above. The conclusions in this Addendum are based on information contained in the certified environmental documents and subsequent field verification. Following are conclusions for each impact category.

Geology and Seismicity

No new impacts have been identified. The pipeline does not cross a fault zone, and is in a level area not subject to landslides. The project will comply with previously identified mitigation measures for this impact category, which are detailed in the Design Guidance Manual for the project. These measures include appropriate seismic design features, liquefaction protection in areas of high liquefaction potential, and measures to protect the pipeline against corrosive and expansive soils. With this mitigation there would be no significant impacts.

Surface Water Hydrology and Water Quality

No new impacts have been identified. No aboveground facilities are proposed in areas subject to flooding. The pipeline extension is not in an area subject to seiches, tsunamis or mudflows, and does not include construction of levees or dams. Recycled water quality was evaluated in previous documents and determined to be acceptable for use in landscape irrigation. The project will comply with previously identified mitigation measures for this impact category, which include monitoring and management of recycled water quality, control of irrigation to avoid surface runoff from excessive irrigation, and preparation of a Storm Water Pollution Prevention Plan to ensure that there are no adverse effects on water quality during pipeline construction. With this mitigation there would be no significant impacts.

Groundwater Hydrology and Water Quality

No new impacts have been identified. The project does not involve extraction or use of groundwater and would thus not cause subsidence of land. The area served by this pipeline extension is already being irrigated, so irrigation with recycled water would not affect groundwater levels or gradients. The project will comply with previously identified mitigation measures for this impact category, which include measures to protect groundwater during construction and a Groundwater Monitoring and Mitigation Plan for the South Bay Water Recycling Program. With this mitigation there would be no significant impacts.

Land Use

The land use along the proposed pipeline route is primarily industrial. No new impacts have been identified. The installation of a buried pipeline would have no long-term impacts on existing land uses; construction impacts would be temporary and not significant. The project will comply with previously identified mitigation measures for traffic, noise, air quality and visual impacts of construction, which would address the construction-period land use impacts.

Air Quality

As noted above land use along the pipeline route is mostly industrial. There are no sensitive receptors such as residential uses, churches, or schools along the pipeline corridor. The area could be affected by short-term construction-related emissions and dust. The project would not generate operational emissions, and no odor problems are expected to be associated with pipeline operation. The project will comply with previously identified construction-period mitigation measures for this impact category, which follow the Bay Area Air Quality Management District's Basic Control Measures for construction air quality impacts. With this mitigation there would be no significant impacts.

Traffic

No new impacts have been identified. Project design includes the use of bore and jack crossings to avoid impacts to San Tomas Expressway. Before the start of construction, a traffic management plan will be prepared for the pipeline extension. The project will comply with previously identified mitigation measures for this impact category, which include time of day restrictions, temporary detours for any areas requiring lane closures, bike lane, and pedestrian mitigation measures. With these mitigation measures there would be no significant impacts.

Biological Resources

Because of the urban nature (e.g., highly developed/disturbed) of the pipeline routes, construction would not have significant impacts on biological resources. Construction will stay within public right of way. There is one drainage crossing and the pipeline at this location would be attached to the existing bridge to avoid any physical disturbance of San Tomas Aquino Creek. The project would not affect threatened or endangered species.

Hazardous Materials

No new impacts have been identified. The project will comply with adopted protocols for handling any contaminated materials that might be uncovered during construction activities. The project will comply with all other previously identified mitigation measures for this impact category, which include preparation of a Phase I Site Assessment for the pipeline route. With this mitigation there would be no significant impacts.

Public Health

Previous environmental documents have determined that use of recycled water does not pose significant risks. No new impacts have been identified. The project will comply with previously identified mitigation measures for this impact category, including Regional

Water Quality Control Board general requirements and Title 22 requirements for water reclamation. With this mitigation there would be no significant impacts.

Noise

Land uses along the pipeline routes include heavy and light industrial facilities. These uses could be affected by short-term construction-related noise that would temporarily increase noise levels above the background noise in areas around the project site. Although noise increases during the construction period would be considered significant, the overall impact would be reduced to a less-than-significant level by the short duration of the impact and the implementation of noise controls. This construction noise impact was fully addressed in the 1992 EIR and in the 2000 Negative Declaration. There will be no operational noise impacts associated with the pipeline. The project will comply with previously identified noise control measures for construction noise impacts.

Public Services and Utilities

No new impacts have been identified. During construction there is the potential for effects on police and fire services due to construction in roadways. However, the project would comply with all required procedures for noticing appropriate agencies regarding roadway work. With these noticing procedures construction would not be expected to cause significant problems during construction. Measures are also in place to prevent disruption of utility lines.

Visual Resources

No new impacts have been identified. The majority of pipelines would be buried and would not be visible after construction, and would thus have no long-term visual impacts. At the San Tomas Aquino Creek crossing, the pipe will be attached to the north side of an existing bridge and will be painted a neutral color. There is presently a white 12" pipe attached to the south side of the bridge.

Historic and Archaeological Resources

Historic and archaeological resources are identified and evaluated in the Historic Property Survey Report and is based on record searches and field surveys (Basin Research Associates, 2009).

No historic properties listed, determined eligible, or potentially eligible for inclusion on the NRHP have been identified in or adjacent to the Area of Potential Effects (APE) as result of archival research, consultation and a field inventory. One historic site, P-43-000900, has been recorded within 0.25 miles of the Industrial 2 APE. Fourteen (14) cultural resource compliance reports on file at the CHRIS/NWIC include the APE and/or adjacent areas.

The APE is defined as the areas subject to direct impact including the pipeline corridor and any temporary construction easements. The APE includes all areas where direct or indirect impacts occur. The horizontal and vertical APE consists of the proposed pipeline alignment within the public right of way from curb to curb or path and path periphery. No project specific mitigation measures are required for historic properties/cultural resources.

Post-review discoveries shall be handled as per 36 CFR Part 800.13(b). The development of a formal Post-Review Discovery Plan is not recommended due to the very low potential for exposing prehistoric or historic archaeological material within or adjacent to the APE. The exposure of any Native American burials shall be handled in accordance with state law.

No prehistoric or combined prehistoric/historic era sites have been recorded or reported in or immediately adjacent to the proposed project. No known ethnographic, traditional or contemporary Native American use areas and/or other features of cultural significance have been identified in or adjacent to the project. No known Hispanic Period expeditions, adobe dwellings, or other structures, features, etc. have been reported in or adjacent to the proposed project. No American Period archaeological sites have been recorded or reported in or adjacent to the proposed project. No evidence of significant prehistoric or historically significant archaeological resources or potentially significant architectural resources was observed during the field survey conducted for the proposed project. Geoarchaeological data, combined with the lack of recorded archaeological resources, even though the area has been subject to below surface soil impacts suggests a low potential for buried archaeological resources although prehistoric isolated finds could be present. No buildings are located in or adjacent to the proposed recycled water alignment. No local, state or federal historically or architecturally significant structures, landmarks, or points of interest have been identified within or adjacent to the project. No historic properties listed, determined eligible, or potentially eligible for inclusion on the NRHP have been identified in or adjacent to the proposed project.

The identification effort included archival research, a review of pertinent literature, a systematic archaeological field inventory, consultation with the Native American Heritage Commission (NAHC) and individuals and groups recommended by the NAHC, and contacting the City of Santa Clara Planning Division of the Planning and Inspection Department.

The reasonable and good faith effort to identify archaeological resources within the project APE included a systematic field inventory. The proposed project alignment has been impacted by construction of surface road construction; subsurface utility installation within the roads and adjacent industrial and commercial development. Exposures of undisturbed native soil are very limited due to infrastructure improvements and landscaping associated with urban and commercial development.

The SBWR has made a reasonable and good faith effort to identify historic properties listed, determined, or potentially eligible for inclusion on the NRHP (36 CFR Part 800.4) within or immediately adjacent the project's APE pursuant to the NHPA of 1966 (as amended) (16 U.S.C., Section 470f) and its implementing regulations 36 CFR Part 800. The identification effort included a records search, literature review, consultation with local Native Americans, and a field inventory. No NRHP listed, determined or potentially eligible resources are present within or adjacent to the APE.

The regulations implementing Section 106 of the NHPA define an effect as any action that would alter the characteristics of the property that may qualify the property for inclusion in the NRHP; and, diminish the integrity of a property's location, setting, design, materials, workmanship, feeling or association (36 CFR Part 800.5(a)(1-2)). A determination of No Historic Properties Affected is applicable for historic properties since no properties are

within or adjacent to the APE that are listed, eligible or appear to be eligible for inclusion on the NRHP.

No mitigation measures are required. The proposed undertaking will not affect any NRHP listed, determined or potentially eligible properties.

Recreation

No new impacts have been identified. The project will comply with previously identified mitigation measures for this impact category. The traffic management plan will address potential conflicts with the bicycle path along San Tomas Aquino Creek.

Indian Trust Assets

Indian trust assets (ITAs) are legal interests in assets that are held in trust by the U.S. government for Federally recognized Indian tribes or individuals. Assets can be real property, physical assets, or intangible property rights, such as a lease, or right to use something. ITAs may include lands, minerals, and natural resources, as well as hunting, fishing, and water rights. Indian reservations, Rancherias, and public domain allotments are examples of lands that are often considered trust assets.

Based on a review of ITA data, the project does not impact ITAs.

Environmental Justice

Federal actions are required to address environmental justice in minority populations and low-income populations. The purpose is to avoid the disproportionate placement of any adverse environmental, economic, social, or health effects resulting from Federal actions and policies on minority and low-income populations.

The Project would supply recycled water to customers and includes construction of an additional recycled water pipeline to an existing system. The proposed project would have construction impacts that would be temporary and limited to the area of pipeline being constructed each day. Operation of the Project would be conducted in accordance with all applicable federal and state requirements. There are no Federal standards governing wastewater reuse in the United States. The California Department of Public Health established water quality criteria for reclamation operations, which are set forth in Title 22, Division 4, Chapter 3, of the California Code of Regulations. The Project would be designed and operated in accordance with the applicable Title 22 requirements and would therefore not have a significant impact on public health or water quality.

Project impacts would be temporary (during construction) and would be mitigated to less than significant levels. Implementation of the Project would not disproportionately affect any minority or low-income populations.

Cumulative Impacts

No new impacts have been identified.

Conclusions

The proposed additional pipeline extension would not result in any new environmental impacts that were not previously identified in certified environmental documents. The

project will comply with all appropriate mitigation measures that have already been identified and incorporated into the SBWR Mitigation Monitoring Program. Pursuant to Section 15164 of the CEQA Guidelines, the minor changes made to the project by the Additional Pipeline Extensions do not raise important new issues about significant impacts on the environment.

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