

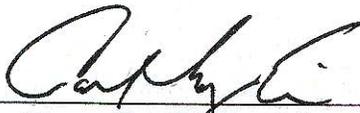
United States Department of the Interior
Bureau of Reclamation
Lower Colorado Region
Phoenix Area Office

FINDING OF NO SIGNIFICANT IMPACT

ASSIGNMENT OF CENTRAL ARIZONA PROJECT MUNICIPAL & INDUSTRIAL
PRIORITY SUBCONTRACT WATER ENTITLEMENTS FROM FOUR WATER
COMPANIES TO THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT,
MARICOPA COUNTY, ARIZONA

FINAL ENVIRONMENTAL ASSESSMENT

Approved: _____



Carol Lynn Erwin, Area Manager
Phoenix Area Office
Bureau of Reclamation

Date: _____

6/28/07

FONSI No. PXAO-07-02

INTRODUCTION

The Bureau of Reclamation (Reclamation) has prepared an Environmental Assessment (EA) to disclose the potential environmental impacts resulting from the proposed transfer of 7,746 acre-feet annually (afa) of Central Arizona Project (CAP)¹ water for municipal and industrial (M&I) uses, from four water companies to the Central Arizona Water Conservation District. The transferred water entitlements would be used exclusively to meet the Central Arizona Groundwater Replenishment District's (CAGRDR) replenishment obligations as defined by Arizona Revised Statutes (ARS), Title 48, Chapter 22, Article 4.²

BACKGROUND

Reclamation initiated a 30-day public scoping period for this project on October 29, 2003, with distribution of a scoping mailer to over 100 entities. One comment letter was received; relevant issues identified in that letter have been addressed in the EA. Due to scheduling and workload conflicts, a considerable amount of time elapsed between the scoping period and issuance of the draft EA; however, because no substantive changes to relevant conditions and policies transpired in the intervening period, Reclamation concluded a second scoping period was not necessary.

A draft EA was made available to the public for a 29-day public review and comment period on May 10, 2007. One electronic mail message and three comment letters were received during this second public review and comment period. The EA has been revised and provides additional information, corrections, and clarifications in response to comments received, where appropriate. Appendix E of the final EA includes copies of all comment letters and the electronic message received, as well as Reclamation's responses.

ALTERNATIVES CONSIDERED

Reclamation's EA considers two alternatives: The No Action alternative and the proposed action. Under the proposed action, Reclamation would transfer all of the CAP M&I water entitlements from the West End Water Company (WEWC), Sunrise Water Company (Sunrise), and New River Utility Company (NRUC), consisting of 157 afa, 944 afa, and 1,885 afa, respectively, to CAWCD. In addition, the remaining 4,760 afa of Litchfield Park Service Company's (LPSCo) CAP M&I water entitlement would also be transferred to CAWCD. The CAP water service subcontracts of WEWC, Sunrise, NRUC, and LPSCo would be terminated. Reclamation would enter into a supplemental contract with CAWCD as an amendment to CAWCD's master repayment contract (Contract No. 14-06-W-245,

¹ The Central Arizona Project is a Federal project authorized by the Colorado River Basin Project Act of 1968 (Public Law 90-537).

² This statute states, in part, "For each active management area in which member lands or member service areas are or may be located, the district shall replenish groundwater in an amount equal to the groundwater replenishment obligation for that active management area." (ARS 48-3771)

Amendment No. 1, Supplement No. 1), providing CAWCD with a CAP M&I water entitlement of 7,746 afa, to be used exclusively by CAWCD to meet the CAGRDR's replenishment obligations first for member lands located within the four water companies' service areas and, if available, next to meet the replenishment obligations of member lands enrolled in CAGRDR as of the date of the supplemental contract. No new treatment and delivery facilities would need to be constructed for CAWCD to fulfill its replenishment obligations; the four water companies would continue to rely on their existing groundwater supply systems to serve their water service areas.

Under the No Action alternative, Reclamation would not approve the proposed assignment of CAP water from the four water companies to CAWCD, and a supplemental contract with CAWCD for 7,746 afa of CAP water for M&I use would not be executed. Member lands within the service areas of the four water companies would continue to have CAGRDR be responsible for their groundwater replenishment obligations. The 7,746 afa of CAP water would continue to be available as excess CAP water unless or until those entitlements are transferred to another entity on a long-term or permanent basis. CAGRDR would continue to pursue acquisition of other short- and long-term rights to water supplies to fulfill its replenishment obligations for those member lands.

No other action alternatives were considered in the EA. The four water companies did not indicate any other alternative would be acceptable to them. In its recommendations, the Arizona Department of Water Resources did not indicate any alternative allocation of the 7,746 afa of CAP water should be considered. No other alternative would result in less direct environmental impacts.

MAJOR CONSIDERATIONS

The following have been taken into consideration in Reclamation's deliberations whether a Finding of No Significant Impact is appropriate, or an environmental impact statement should be prepared, based upon the EA and the comments we have received from the public.

(1) There would be no direct impacts to the WEWC, Sunrise, NRUC and LPSCo water service areas from approval of the proposed water transfer. These four water companies have never taken delivery of any CAP water. The four water companies would continue to serve groundwater to their water service areas; no new infrastructure would be required. CAWCD would deliver to and recharge the 7,746 afa of CAP water at existing recharge facilities; no new infrastructure would be required for CAGRDR to fulfill its replenishment obligations. No land disturbing activities would occur as a direct result of implementing the proposed action.

(2) Consistent with ADWR recommendations, the supplemental contract would specify that CAGR D must first meet replenishment obligations incurred as a result of excess groundwater delivered to CAGR D member lands by WEWC, Sunrise, NRUC and LPSCo. In addition, CAGR D would be required to (a) replenish excess groundwater delivered to member lands located within the WEWC, Sunrise, and NRUC water service areas within the area of hydrologic impact of the excess groundwater withdrawals; and (b) replenish excess groundwater delivered to member lands located within the LPSCo service area within the Phoenix Active Management Area. Should another entity relieve CAGR D of its current and future replenishment obligation for any portion of the member lands located within any of the service areas of the four water companies, CAGR D would transfer to that entity a corresponding share of the transferred CAP water.

(3) Reclamation sent a copy of the scoping mailer and the draft EA to each of the following tribes: Ak Chin Indian Community, Fort McDowell Yavapai Nation, Gila River Indian Community, Hopi Tribe, Salt River Pima-Maricopa Indian Community, Tohono O'odham Nation, Yavapai Apache Community Council, and Yavapai Prescott Indian Tribe. No comments were received from any of these entities.

(4) Because the proposed action does not involve land disturbing activities, it does not have the potential to cause effects to historic properties.

(5) There would be no direct impacts to biological resources that would result from implementation of the proposed action. The proposed water assignment does not change the amount of CAP water available for M&I use, since the water companies already have this water under contract. The overall indirect and cumulative effects of urban development as a result of CAP water allocations were addressed in the 1982 EIS on CAP Water Allocations and Water Service Contracting. Indirect impacts within the four water service areas cannot be specifically identified, since the lands to be developed are subject to future local planning and zoning decisions, market conditions for private development, and numerous other factors beyond the control and jurisdiction of Reclamation.

FINDING OF NO SIGNIFICANT IMPACT

Based upon the EA and careful consideration of comments received during the public review and comment period, Reclamation has determined that the proposed CAP water entitlement transfers, termination of the WEWC, Sunrise, NRUC, and LPSCo CAP water service subcontracts, and entering into a supplemental contract with CAWCD to recharge 7,746 afa of CAP M&I water will not result in significant environmental impacts to either the four water companies' water service areas, or to communities in the general vicinity, which would merit preparation of an environmental impact statement.

Documents related to this action are identified below.

Reclamation. 2007. Final Environmental Assessment - Assignment of Central Arizona Project Municipal & Industrial Priority Subcontract Water Entitlements from Four

Water Companies to the Central Arizona Water Conservation District, Maricopa County, Arizona. Phoenix, Arizona.

_____. 1982. Final Environmental Impact Statement – Water Allocations and Water Service Contracting, Central Arizona Project (INT FES 82-7). Lower Colorado Region, Bureau of Reclamation. Boulder City, Nevada.