

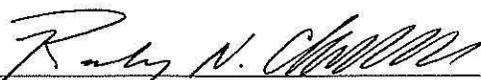
United States Department of the Interior  
Bureau of Reclamation  
Lower Colorado Region  
Phoenix Area Office

**FINDING OF NO SIGNIFICANT IMPACT**

CENTRAL ARIZONA PROJECT WATER LEASE FROM THE  
SAN CARLOS APACHE TRIBE TO  
THE TOWN OF GILBERT

December 2010

Approved: \_\_\_\_\_

  
Randy N. Chandler, Area Manager  
Phoenix Area Office

Date: \_\_\_\_\_

12/14/10

Bureau of Reclamation

FONSI No. PXAO-10-06

The Bureau of Reclamation has issued the attached Environmental Assessment (EA) to disclose potential environmental impacts resulting from the proposed 100-year lease of 5,925 acre-feet annually (afa) of Central Arizona Project (CAP) water from the San Carlos Apache Tribe (Tribe) to the Town of Gilbert (Town). Lease of this CAP water requires approval by the Bureau of Reclamation, acting on behalf of the Secretary of the Interior (Secretary), and constitutes a Federal action. The 5,925 afa leased water would be added to the existing CAP water supplies available to the Town. As with its existing CAP supplies, the Town intends to convey the leased CAP water to its customers using the existing infrastructure. The water would be received from the CAP canal at the Gilbert/Chandler turnout and would then be directed for treatment at San Tan Vista Water Treatment Plant or North Water Treatment Plant through the CAP Interconnect Facility. The lease would also allow for the Town to convey the leased CAP water to recharge facilities within its service area, such as the Town's Riparian Preserve Recharge Facility, or at Central Arizona Water Conservation District's (CAWCD) Tonopah Desert Recharge Project (TDRP) and Agua Fria Recharge Project (AFRP) for the purpose of annual storage and recovery to meet current demands or earning Long Term Storage Credits. The Town could earn Long Term Storage Credits to offset future ground water pumping. The water could also be delivered to Gilbert's in-lieu partners; Queen Creek Irrigation District, New Magma Irrigation District, Salt River Project, and Roosevelt Water Conservation District (RWCD). There would be no new construction or expansion of existing infrastructure for the delivery, storage, or recharge of CAP water.

Reclamation distributed a notice of availability for the EA to interested Federal, state, county and local agencies on November 17, 2010. Concurrent with this notice, the EA was posted to Reclamation's website (<http://www.usbr.gov/lc/phoenix/>) for a 15 day review. No comments were received.

Reclamation has determined the proposed lease of CAP water will not result in significant environmental impacts to the Tribe, the Town's water service area or to neighboring communities, which would merit preparation of an environmental impact statement.

## **BACKGROUND**

Title XXXVIII of Public Law 102-575 (106 Stat. 4740), the San Carlos Apache Tribe Water Rights Settlement Act of 1992 (Act), was enacted on October 30, 1992. The Act allocated certain water supplies to the Tribe, and in section 3710(c) approved, ratified and confirmed the San Carlos Apache Tribe Water Rights Settlement Agreement (Agreement) dated March 30, 1999. The Act also directed the Secretary to amend the Tribe's CAP water delivery contract to authorize the Tribe to lease its CAP water supplies.

The Colorado River water available to the Tribe as part of the 1999 settlement for the San Carlos Apache Indian Reservation includes: 12,700 afa of CAP Indian priority water under a December 11, 1980, CAP water delivery contract between the Secretary and the Tribe; 14,665 afa of CAP municipal and industrial (M&I) priority water previously allocated to the Phelps Dodge Corporation; 3,480 afa of CAP M&I priority water previously allocated to the town of Globe; and the excess water (unquantified) not required to be delivered to the Ak-Chin Indian Reservation under subsection (f)(2) of Section 2 of the Ak-Chin Water Rights Settlement Act of

1984 (Verburg 2010). Thus far, the Tribe has leased a portion of their entitlement to the City of Scottsdale, Phelps Dodge and to the Town. Specifically, the Tribe has leased 12,500 afa to the City of Scottsdale for a 100-year period beginning in 1999, and 14,000 afa to Phelps Dodge for 50 years beginning January 1, 1999. To facilitate the Phelps Dodge lease, the United States and the Tribe entered into an exchange agreement with the Salt River Project Agricultural Improvement and Power District and the Salt River Valley Water Users' Association on January 24, 2002. In addition, the Tribe entered into a 1 year lease in 2010 with the Town for 20,000 acre-feet (af) of the Tribe's CAP entitlement.

The Tribe currently does not have the infrastructure needed to take, treat, and serve CAP water to its customers. All undelivered CAP entitlements of the Tribe become excess water and is distributed in accordance with CAP's Access to Excess Program. The Tribe has determined that 5,925 afa is excess to their needs and would like to lease it to the Town in order to capitalize on their CAP entitlement.

The Town was allocated 7,235 afa of CAP water by the Secretary on February 10, 1983. The Town's original CAP water service subcontract was executed on April 7, 1992 (Contract No. 2-07-30-W0275), with a subsequent subcontract replacing it on March 25, 2007 (Contract No. 07-XX-30-W0497). The Town began to receive their 7,235 afa entitlement in October 1993. The Town has also acquired additional CAP entitlements through the Salt River Pima Maricopa Indian Community (SRPMIC) Water Rights Settlement Agreement, dated February 1988. Those entitlements include 6,762 afa of exchange water from the SRPMIC and 922 afa of the RWCD's entitlement. In addition, the Town leases 4,088 afa from SRPMIC. With these additional CAP entitlements, the Town has a total of 19,007 afa of Colorado River water available to them.

The Town has been issued a Designation of Assured Water Supply (DAWS) through 2025, based on current, committed and projected demands and available supplies consistent with Arizona Department of Water Resources' (ADWR) Assured Water Supply (AWS) rules (ADWR 2010). The Town is able to meet the water demands for current and anticipated population growth for the next 15 years based upon the renewable and reclaimed water supplies identified in their DAWS. To further offset their future potable water demand, the Town is proposing to lease 5,925 afa of CAP entitlement from the Tribe. The addition of this renewable water source would reduce the Town's dependence on groundwater within its service area, including the additional cost of the use of Central Arizona Groundwater Replenishment District's replenishment services and would lessen their reliance on excess CAP water, which may not always be available.

The EA for this proposal describes the existing conditions in the Town's water service area and the environmental impacts that are anticipated to result from Reclamation's approval of the lease.

## **FINDING OF NO SIGNIFICANT IMPACT**

Based upon the attached EA, Reclamation has determined that the lease of 5,925 afa of CAP water from the Tribe to the Town will not significantly impact the human environment and that preparation of an environmental impact statement is not warranted. This decision is based upon the following considerations:

(1) No land disturbing activities will occur as a result of the lease. Therefore, there will be no direct adverse impacts resulting from the proposed action. Indirect and cumulative impacts from the proposed action, mostly related to urbanization of non-developed land, will be identical to the no action alternative. Under the proposed action, the leased water could be recharged within the Town's service area, such as the Town's Riparian Preserve Recharge Facility, or at CAWCD's TDRP and AFRP. There could be some minor localized hydrological benefit from the proposed action if the water is recharged.

(2) The proposed action will not result in any effects to public health or safety. The recharge of the leased CAP water is not anticipated to result in substantial changes to the current local groundwater quality. The cumulative effect of recharge with CAP water from all sources is a gradual blending of water qualities of ambient groundwater. The Town's potable water consistently meets or exceeds Federal and State drinking water standards.

(3) The Town's water service area is mostly built-out; no direct impacts will occur from the proposed project to unique characteristics of the geographic area such as park lands, prime and unique farmlands, wetlands, wild and scenic rivers, or ecologically critical areas. Approximately 18 percent of the project area consists of agricultural, vacant, and/or undeveloped land. Some of the agricultural land within the Town's service area is classified as prime and unique. These lands will not be directly affected by the proposed action; however, they will continue to be developed based upon the demand for residential and commercial development, as well as other market conditions. Land development patterns are not expected to be affected by the proposed action. Land development would be subject to compliance with local, state, and Federal laws and ordinances protecting environmental resources.

(4) No effect on the quality of the human environment is anticipated. No disproportionately high or adverse human health or environmental effects on minority and/or low-income populations would result from the proposed action.

(5) The proposed action will not establish a precedent for future actions and will not represent a decision in principle about a future consideration. It will merely continue existing delivery and recharge activities, albeit with a larger quantity of CAP water. The Town has a DAWS from ADWR. ADWR's Decision and Order, dated September 29, 2010, states that 96,282.49 af are physically, legally and continuously available to the Town to support its AWS designation. The Town is able to meet the water demands for current and anticipated population growth for the next 15 years based upon the renewable and reclaimed water supplies identified in their DAWS. The Town also has Underground Storage Facility Permits issued by ADWR for the recharge facilities located within its service area and Water Storage Permits issued from ADWR for all of the recharge facilities where the Town recharges. ADWR has also issued a Recovery Well Permit to allow the recovery of recharged water from the Town's designated wells.

(6) Cumulatively significant impacts are not anticipated to occur as a result of the proposed action. The proposed action and no action alternative are essentially identical except that under the no action alternative the Town would continue to purchase excess CAP water from CAWCD's Access to Excess Program as well as from CAWCD's future Project Acquisition,

Development, and Delivery (ADD) Water Program. Under the proposed action, the Town would lessen their reliance on excess CAP water or the future ADD Water Program.

(7) The absence of ground disturbing activities will preclude possible effects to cultural resources, including historic properties listed in or eligible for listing in the National Register of Historic Places.

(8) The proposed action does not include any construction of infrastructure or ground disturbing activities, nor would it result in changes in land use patterns that will result in the loss of habitat as most of the Town's water service area is essentially developed. No Federally listed or candidate species or critical habitat were identified within the project area. The leasing of a portion of the Tribe's CAP water entitlement to the Town would have diminutive effects on biological resources within or adjacent to the Town's water service area. Additional groundwater recharge would help to reduce groundwater overdraft and could result in a beneficial effect on vegetation dependent on groundwater supplies in certain areas.

(9) The proposed action does not threaten to violate Federal, State, or local law or requirements imposed for the protection of the environment.

Documents related to this action are identified below.

Arizona Department of Water Resources. 2010. Town of Gilbert's Assured Water Supply Designation: Decision & Order 86-402208.001 and AWS 2010-006, September 29, 2010.

U.S. Bureau of Reclamation. 2010. Environmental Assessment - CAP Water Lease from the San Carlos Apache Tribe to the Town of Gilbert. U.S. Department of the Interior, Bureau of Reclamation, Lower Colorado Region, Phoenix Area Office.

Verburg, Katherine Ott. 2010. The Colorado River Documents 2008. U.S. Department of the Interior, Bureau of Reclamation, Lower Colorado Region. Forthcoming document.