



— BUREAU OF —
RECLAMATION

Partial Assignment and Transfer- Western Water, LLC to Ehrenberg Improvement District

**Finding of No Significant Impact and Final Environmental Assessment
LC-20-07**

Interior Region 8: Lower Colorado Basin, Boulder City, Nevada

Mission Statements

The Department of the Interior (DOI) conserves and manages the Nation's natural resources and cultural heritage for the benefit and enjoyment of the American people, provides scientific and other information about natural resources and natural hazards to address societal challenges and create opportunities for the American people, and honors the Nation's trust responsibilities or special commitments to American Indians, Alaska Natives, and affiliated island communities to help them prosper.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

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List of Acronyms and Abbreviations

Act	Boulder Canyon Project Act of 1928
ADWR	Arizona Department of Water Resources
AFY	Acre feet per year
CVIDD	Cibola Valley Irrigation and Drainage District
DOI	Department of the Interior
EA	Environmental Assessment
EID	Ehrenberg Improvement District
EO	Executive Order
FONSI	Finding of No Significant Impact
NEPA	National Environmental Policy Act of 1969, as amended
Plan	La Paz County Comprehensive Plan
Reclamation	Bureau of Reclamation
RV	Recreational Vehicle
Western	Western Water, LLC

Finding of No Significant Impact (FONSI)

Final Environmental Assessment (EA) for Partial Assignment and Transfer Western Water, LLC to Ehrenberg Improvement District (LC-20-07)

Based on a thorough analysis of the potential environmental impacts presented in the EA, the Bureau of Reclamation (Reclamation) finds that implementation of the Proposed Action will not significantly affect the quality of the human environment within or adjacent to the project area, therefore an Environmental Impact Statement will not be prepared.

Accordingly, this FONSI is submitted to document environmental review and evaluation of the Proposed Action in compliance with the National Environmental Policy Act (NEPA) of 1969, as amended.

FAYE STREIER Digitally signed by FAYE STREIER

Date: 2020.06.08 10:14:22 -07'00'

Prepared: _____ Date: _____
Natural Resource Specialist

JOHN LADD Digitally signed by JOHN LADD

Date: 2020.06.08 10:42:33 -07'00'

Recommended: _____ Date: _____
Manager, Environmental Compliance Group

MARY REECE Digitally signed by MARY REECE

Date: 2020.06.16 10:29:08 -07'00'

Approved: _____ Date: _____
Chief, Resources Management Office

Boulder City, Nevada

Background

This FONSI tiers to and incorporates by reference the attached “Final EA for Partial Assignment and Transfer Western Water, LLC to Ehrenberg Improvement District”.

The Proposed Action

Under the Proposed Action Alternative Reclamation would approve the partial assignment and transfer of 85 acre-feet per year (AFY) of Western Water, LLC’s (Western) annual entitlement of Arizona fourth-priority Colorado River water to Ehrenberg Improvement District (EID), and approve the amendment of Western’s and EID’s Colorado River water delivery contracts to conform with this partial assignment and transfer.

The No-Action Alternative

Under the No Action Alternative, Reclamation would not approve the partial assignment and transfer of 85 AFY of Western’s annual entitlement of Arizona fourth-priority Colorado River water to EID, and would not approve the amendment of Western’s and EID’s Colorado River water delivery contracts to conform with this partial assignment and transfer.

Environmental Impacts and Findings

Implementation of the Proposed Action will not result in significant impacts as the Proposed Action is in accordance with the “Law of the River”, will not result in an increase in consumptive use of Colorado River water, will not impact water supplies of other Colorado River entitlement holders, and is in accordance with all State, County, and local requirements.

Partial Assignment and Transfer- Western Water, LLC to Ehrenberg Improvement District Environmental Assessment

LC-20-07

Prepared by:
**United States Department of the Interior
Bureau of Reclamation
Interior Region 8: Lower Colorado Basin
Boulder City, Nevada**

1.0 Introduction

1.1 Proposed Federal Action

The Bureau of Reclamation (Reclamation) proposes to approve the partial assignment and transfer of 85 acre-feet per year (AFY) of Western Water, LLCs (Western) annual entitlement of Arizona fourth-priority Colorado River water to Ehrenberg Improvement District (EID), and approve the amendment of Western's and EID's Colorado River water delivery contracts to conform with this partial assignment and transfer.

This Environmental Assessment (EA) was prepared in compliance with the National Environmental Policy Act (NEPA) and the Council on Environmental Quality Regulations for Implementing the Procedural Provisions of NEPA. The purpose of this EA is to evaluate the potential impacts of the proposed action on the physical and human environment and determine if the impacts will be significant thus warranting the preparation of an Environmental Impact Statement.

1.2 Purpose and Need

In Nevada, Arizona, and California, the use and distribution of Colorado River water is subject to laws, judicial rulings and decrees, contracts, interstate compacts, operating criteria, and an international treaty. These documents and decisions, collectively known as the "Law of the River," apportion available water between the states and establish certain priorities in use.

Part of this law, the Boulder Canyon Project Act of 1928 (Act), authorizes the Secretary of the Interior to operate as the sole contracting authority for water from the lower Colorado River. It also provides for specific irrigation and domestic water contracts on a permanent basis. The Act requires any user of Colorado River water in the Lower Basin to have a water delivery contract with the United States. This requirement, which was confirmed by the U.S. Supreme Court in its Consolidated Decree in *Arizona v California*, applies to all diversions made from the River, including those made through wells that draw water from the Colorado River aquifer (Reclamation, 2015).

Reclamation's purpose and need for the action is to fulfill its responsibilities, on behalf of the Secretary of the Interior, to develop and administer Colorado River water delivery contracts. The United States has entered into Contract No. 16-XX-30-W019 (Western Contract) with Western and Contract No. 8-07-30-W0006, as amended (EID Contract), with EID for delivery of Colorado River water. Article 34 of these contracts states, "The provisions of this contract shall apply to and bind the successors and assigns of the parties hereto, but no assignment or transfer of this contract or right or interest therein by either party shall be valid until approved in writing by the other party." Article 22 of the Western Contract states that "any Exchange, Lease, or Transfer of use of Western's Entitlement must be approved in writing by the Contracting Officer before such Exchange, Lease or Transfer can become effective."

2.0 Description of Alternatives

2.1 Proposed Action Alternative

Under the Proposed Action Reclamation would:

1. Approve Partial Assignment and Transfer No.1 of 85 AFY of Western’s annual entitlement of Arizona fourth-priority Colorado River water to EID. Western is currently using the 85 AFY for irrigation use under Contract No. 16-XX-30-W0619 within Western’s Contract service area in the Cibola Valley (Figure 1). Under this assignment and transfer the type of use (irrigation to domestic) and place of use (Western service area to EID service area) of the water would change (Figure 2). A Colorado River water entitlement is a right to divert and consumptively use Colorado River water (within the state apportionments).
2. Approve an amendment to Contract No. 16-XX-30-W0619 (Amendment No. 1) to reduce Western’s annual Arizona fourth-priority Colorado River water entitlement from 621.48 AFY to 536.48 AFY.
3. Approve an amendment to Contract No. 8-07-30-W0006 (Amendment No. 2) to increase EIDs annual Arizona fourth-priority Colorado River water entitlement of from 650 AFY to 735 AFY.

Reclamation’s discretion is limited to the approval of the partial reassignment and transfer and contract amendments.

2.2 No Action Alternative

Under the No Action Alternative, Reclamation would not approve the assignment and transfer, and Western and EID’s contracts would not be amended to conform to the assignment and transfer.

2.2.2 Alternatives Considered but Not Evaluated in Detail

Reclamation has a responsibility to develop and administer Colorado River water delivery contracts. No alternatives to considering the assignment and transfer and amendment of the contracts was considered.

Exhibit A
Contract No. 16-XX-30-W0619
Western Water, LLC

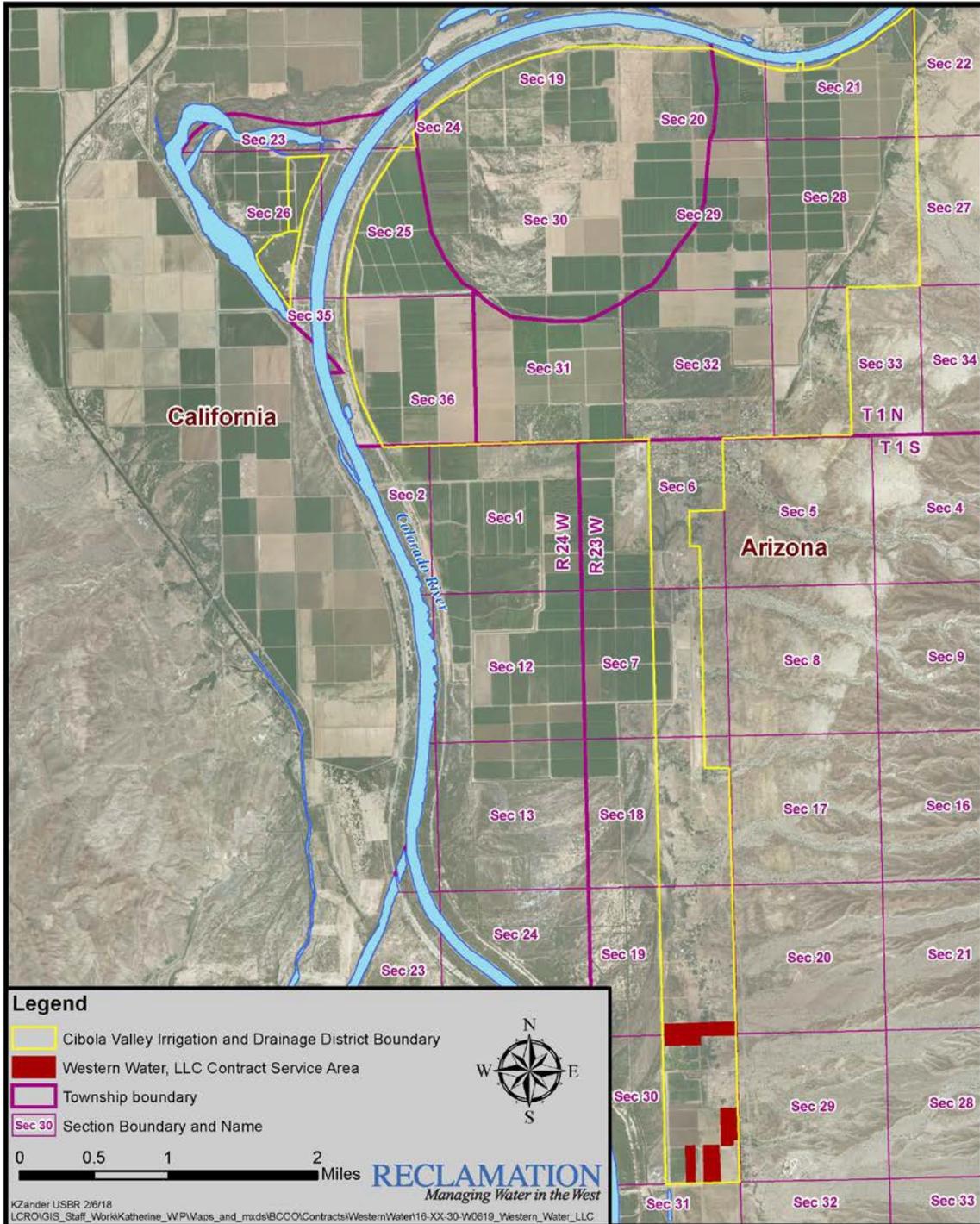


Figure 1- Western's Contract Service Area, Exhibit A- Contract 16-XX-30-W0619

Exhibit A - Revision 1
 Contract No. 8-07-30-W0006
 Amendment No. 2
 Ehrenberg Improvement District

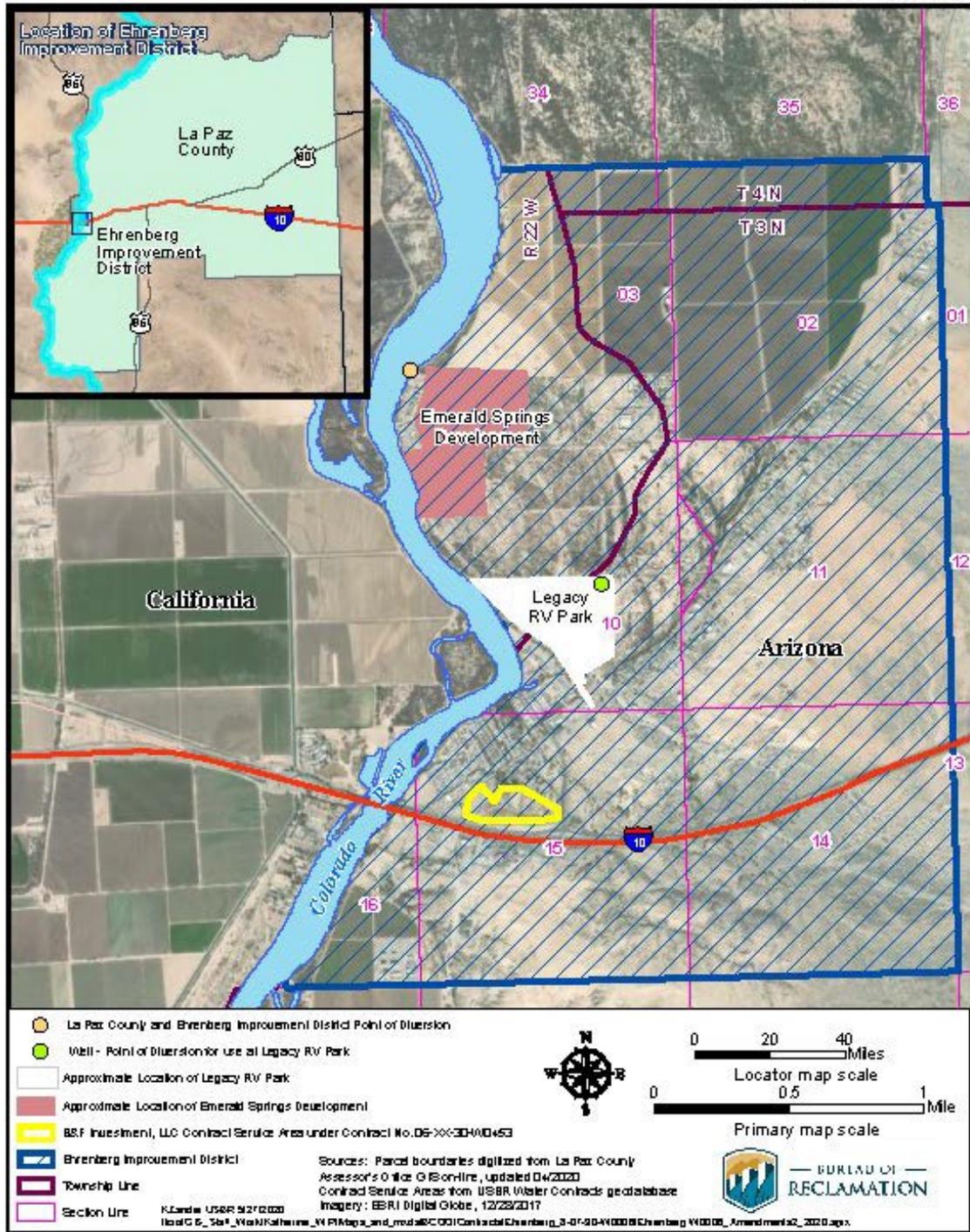


Figure 2- EID's Contract Service Area and the location of Legacy RV Park, Exhibit A- Revision 1 from Contract 8-07-30-W0006

3.0 Affected Environment and Environmental Consequences

3.1 Affected Environment

Under Contract No. 16-XX-30-W0619, Western has an entitlement to an annual diversion of up to 621.48 AFY of Colorado River water within the Western Contract service area. This water is used to irrigate 103.58 acres of land it owns within the Cibola Valley Irrigation and Drainage District (CVIDD) in La Paz County, Arizona. CVIDD is in the Cibola Valley along the Colorado River. Western receives all its irrigation water through the CVIDD diversion and delivery system. Western currently grows high water use crops such as alfalfa on the 14.17 acres where irrigation water will be reduced.

EID is a political subdivision of the State of Arizona. Under Contract No. 8-07-30-W0006, as amended, EID has an entitlement to an annual diversion of up to 650 acre-feet of Colorado River water for domestic use within the EID Contract service area, an approximately 3,200-acre area located in northwestern La Paz County, Arizona approximately 29 river-miles north of the Cibola Valley. The service area includes the community of Ehrenberg, Arizona, which is an unincorporated community of approximately 1,400 people. EID treats the water to meet Federal and State standards and owns and maintains the water mains and service connections.

CO River, LLC owns two adjoining parcels totaling 79 acres within EID's Contract service area, adjacent to the Colorado River within the community of Ehrenberg. The Ehrenberg community is designated as Rural Community in the La Paz County Comprehensive Plan (Plan) (La Paz County, 2005). This designation includes both incorporated and unincorporated communities in La Paz County. The Plan encourages developments that are compatible with the community and do not place a burden on facilities and services. The CO River, LLC parcels are zoned C-1: Local Commercial Zoning District/C-2: Commercial Regional Zoning District. C-1: Local Commercial Zoning District is applied to properties which are intended to be developed to accommodate and preserve convenient shopping areas containing retail and service establishments serving the daily needs and conveniences of neighborhood residents. C-2: General Commercial Zoning District is applied to properties which are intended to be developed to accommodate and preserve commercial areas that provide for a full range of commercial uses to serve the entire community, without encroaching upon residential or other commercial development (La Paz County, 2019).

A review of historical photos indicated that the parcels were previously meander channels of the Colorado River. Most of the land is now above the 100-year flood plain of the Colorado River as defined by Federal Emergency Management Agency, with a small area on the western edge of the site located within the floodplain. La Paz County has a floodplain ordinance enacted to minimize harm to people and property within floodplains (La Paz County, 2010). There are no structures on the parcels.

The CO River, LLC is responsible for obtaining all required permits and approvals for development of the RV park. They have obtained a Certificate of Approval to Construct Water Facilities and

Construction Authorization for a Sewage Collection System (Type 4.01 General Permit) from the Arizona Department of Environmental Quality and a Grading Permit from La Paz County.

The Director of the Arizona Department of Water Resources (ADWR) is authorized on behalf of the State of Arizona to consult, advise, and cooperate with the Secretary of the Interior on matters relating to the Colorado River. ADWR has adopted the “Substantive Policy Statement – Policy and Procedure for Transferring an Entitlement of Colorado River Water- CR 10” to ensure adequate and consistent evaluation of any proposed mainstem transfer of a Colorado River mainstream entitlement (ADWR, 2019).

3.2 Environmental Consequences

3.2.2 Proposed Action

Under the Proposed Action, Western’s Colorado River water entitlement will decrease from 621.48 AFY to 536.48 AFY. CVIDD will reduce deliveries to Western by 85 AFY. As a result of reduced deliveries, 14.17 acres of the 103.58 acres which Western Water irrigates on the CVIDD will be transitioned from high water use crops such as alfalfa to low water use crops, likely drought tolerant trees watered by drip irrigation. No change will be made to the point of diversion within CVIDD or for the remaining irrigated land within the Western Contract service area. No property will be removed from CVIDD. There will be no impact or changes to CVIDD operations or deliveries to its remaining customers. Since the 14.17 acres will not be fallowed, an increase in windblown dust is not anticipated.

EID’s Colorado River water entitlement will increase from 650 AFY to 735 AFY. EID plans to supply the 85 AFY to CO River, LLC, for domestic use at a proposed resort-style Recreational Vehicle (RV) park known as “Legacy RV Park” on the 79 acres of land owned by CO River, LLC. The decision to provide water service to the RV park is under the jurisdiction of EID. EID would provide potable water to CO River, LLC from its existing surface diversion and extend delivery service to the RV park. It would also provide non-potable water to CO River, LLC for landscaping purposes through an existing well. The well will be recognized as an authorized point of diversion for EID, and all water withdrawn will be reported by EID as part of its annual reporting to Reclamation.

Development of the RV park is subject to approval by Arizona and La Paz County agencies with permit authority for the development. The RV park development is consistent with the La Paz County Comprehensive Plan and the zoning assigned to the parcels. The land within the RV park will not be subdivided, and no individual lots or parcels will be sold within the RV park. The RV park development will be in accordance with all other requirements of Arizona and La Paz County, including the floodplain ordinance.

ADWR has reviewed the proposed partial assignment and transfer and issued notices of the action for public review in September 2019. No comments were received. ADWR concluded that the assignment and transfer would not result in an increase in consumptive use of Colorado River water and would not impact water supplies of other Colorado River entitlement holders. ADWR recommended that the partial assignment and transfer be approved by Reclamation by letter dated November 12, 2019.

Potential flow-related changes associated with the proposed action are a covered action under the Biological and Conference Opinion on the Lower Colorado River Multi-Species Conservation Program, Arizona, California, Nevada (File # 02-21-04-F-0161).

There would be no impact to Indian Trust Assets as this is a partial assignment and transfer of water between existing entitlement holders.

No negative cumulative impacts are anticipated as the change in type of use and place of use would not conflict with the “Law of the River”, including existing operating criteria for the Colorado River.

3.2.1 No Action Alternative

Under the No Action Alternative Reclamation would not approve the partial assignment and transfer or approve the amendment to Western’s or EID’s contracts.

Western’s Colorado River water entitlement and resulting annual diversion of 621.48 AFY would not change. They would continue to have 621.48 AFY available for irrigation of 103.58 acres within the Cibola Valley. Western may continue to grow whatever crops they choose, excluding controlled substances. They could grow high water use crops, such as alfalfa on the 103.58 acres or they may elect to transition to lower water use crops on all or part of the 103.58 acres. In any year, an entitlement holder is not required to use all its entitlement but may not exceed its entitlement. No change will be made to either the points of diversion or the points of return for Western’s irrigated land.

Western would not transfer 85 AFY to EID. EID’s Colorado River water entitlement would remain at 650 AFY so they would not have the transferred 85 AFY to provide to CO River, LLC. The decision to provide water service to the RV Park is under the jurisdiction of EID who may find other mechanisms to provide water service to CO River, LLC.

Development of the RV park is subject to approval by Arizona and La Paz County agencies with permit authority for the development. CO River, LLC, as a private landowner, may develop their land as they choose if they meet all regulatory requirements of Arizona and La Paz County. A grading permit has been obtained from La Paz County, and clearing and grading of much of the land has occurred. Without the 85 AFY, the RV park may not be developed according to the current plan, yet it may be developed according to a revised, lower water use plan.

4.0 Coordination and Consultation

ADWR provided their final recommendation that the assignment and transfer is consistent with the water management objectives presented in ADWR’s “Colorado River Transfer Policy” and recommended Reclamation initiate the assignment and transfer process.

Reclamation placed a legal notice inviting public review of the partial assignment in the *Parker Pioneer* newspaper. The notice ran on April 22, April 29 and May 6, 2020. No comments were received.

The FONSI and Final EA will be posted on Reclamation’s web site.

5.0 Preparer

Faye Streier
Natural Resource Specialist-National Environmental Policy Act Coordinator
Bureau of Reclamation, Lower Colorado Regional Office

6.0 References

Arizona Department of Water Resources (ADWR). 2019. Partial Conveyance of Western Water, LLC's (Western) Arizona Fourth Priority Colorado River Water Entitlement to Ehrenberg Improvement District (EID)- Final Recommendation. Letter to Bureau of Reclamation Regional Director Terrance Fulp dated November 12, 2019.

Bureau of Reclamation. 2015. Boulder Canyon Operations Office, Lower Colorado River Water Delivery Contracts. Website accessed April 20, 2020 at <https://www.usbr.gov/lc/region/g4000/wtrcontracts.html>

La Paz County. 2019. Grading Permit # 17654.

La Paz County. 2012. La Paz County Zoning Regulations. La Paz County Department of Community Development. Parker, Arizona

La Paz County. 2010. La Paz County Flood Control District Floodplain Management Ordinance No. FCD 2010-0.

La Paz County. 2005. La Paz County Comprehensive Plan. Adopted May 2005, Amended December 2005, 2006, 2007, 2008, 2009 and 2010.

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Bureau of Reclamation
Interior Region 8: Lower Colorado Basin
Boulder City, Nevada**

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2.2.2 Alternatives Considered but Not Evaluated in Detail

Reclamation has a responsibility to develop and administer Colorado River water delivery contracts. No alternatives to considering the assignment and transfer and amendment of the contracts was considered.

Exhibit A
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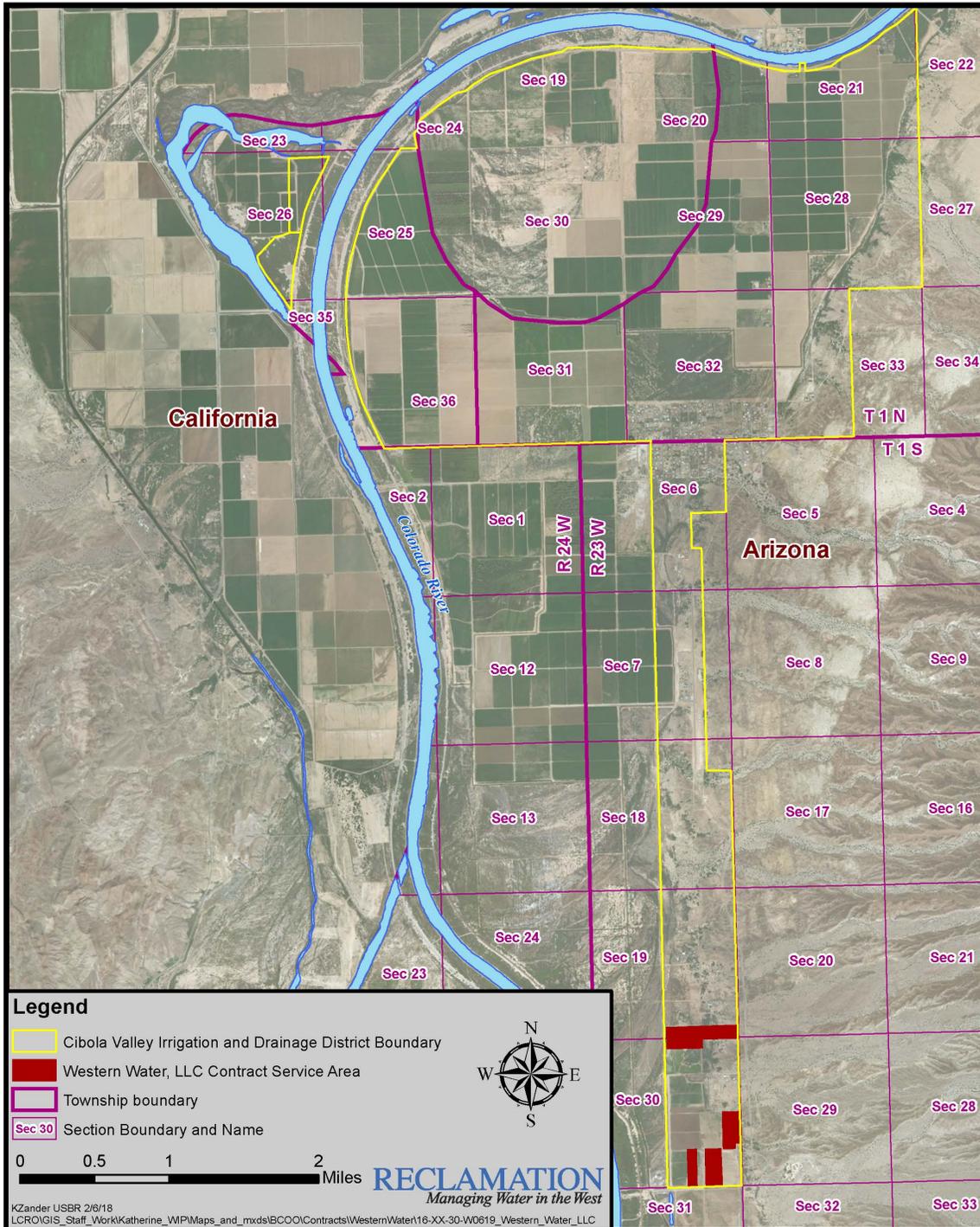


Figure 1- Western's Contract Service Area, Exhibit A- Contract 16-XX-30-W0619

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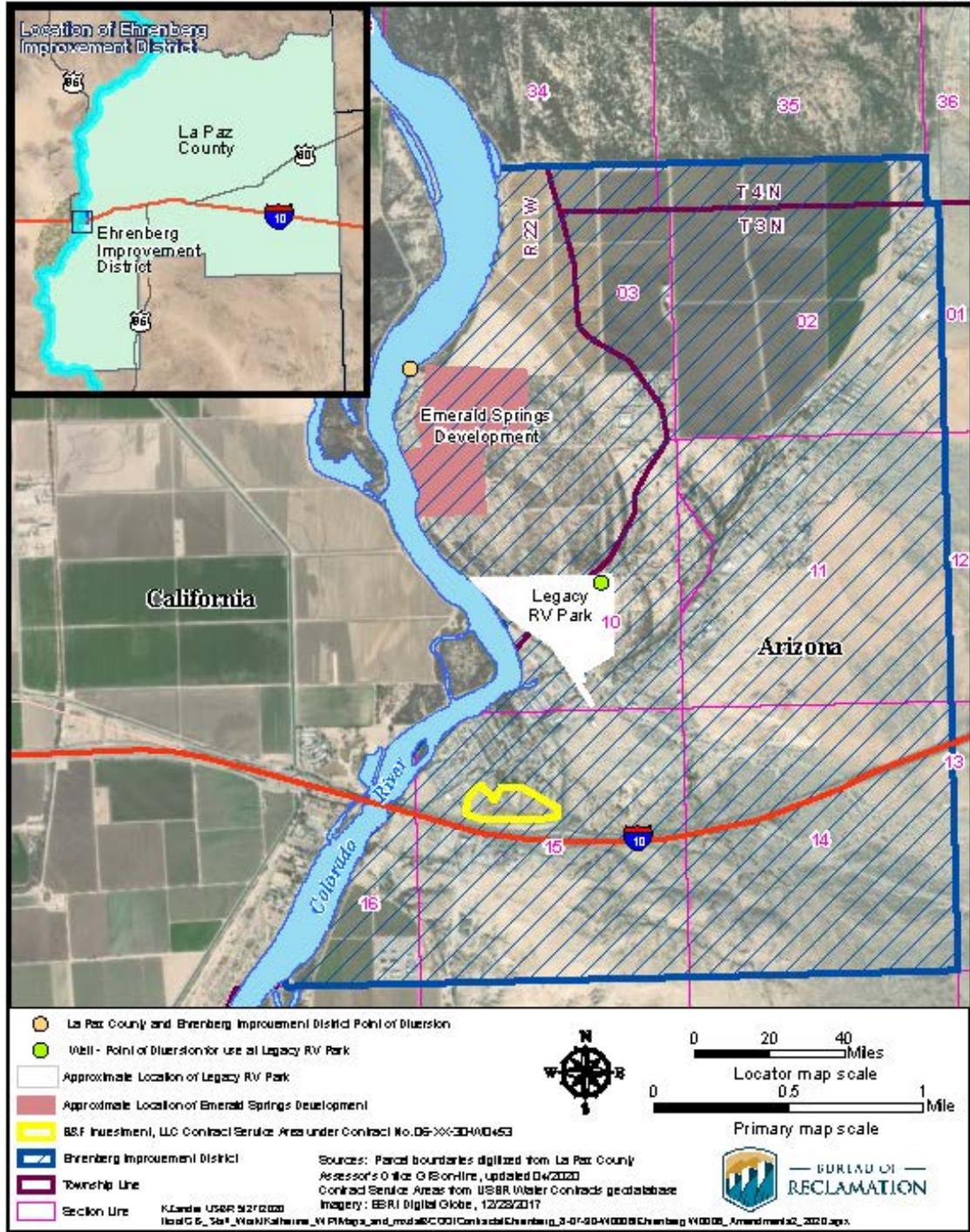


Figure 2- EID's Contract Service Area and the location of Legacy RV Park, Exhibit A- Revision 1 from Contract 8-07-30-W0006

3.0 Affected Environment and Environmental Consequences

3.1 Affected Environment

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Western’s Colorado River water entitlement and resulting annual diversion of 621.48 AFY would not change. They would continue to have 621.48 AFY available for irrigation of 103.58 acres within the Cibola Valley. Western may continue to grow whatever crops they choose, excluding controlled substances. They could grow high water use crops, such as alfalfa on the 103.58 acres or they may elect to transition to lower water use crops on all or part of the 103.58 acres. In any year, an entitlement holder is not required to use all its entitlement but may not exceed its entitlement. No change will be made to either the points of diversion or the points of return for Western’s irrigated land.

Western would not transfer 85 AFY to EID. EID’s Colorado River water entitlement would remain at 650 AFY so they would not have the transferred 85 AFY to provide to CO River, LLC. The decision to provide water service to the RV Park is under the jurisdiction of EID who may find other mechanisms to provide water service to CO River, LLC.

Development of the RV park is subject to approval by Arizona and La Paz County agencies with permit authority for the development. CO River, LLC, as a private landowner, may develop their land as they choose if they meet all regulatory requirements of Arizona and La Paz County. A grading permit has been obtained from La Paz County, and clearing and grading of much of the land has occurred. Without the 85 AFY, the RV park may not be developed according to the current plan, yet it may be developed according to a revised, lower water use plan.

4.0 Coordination and Consultation

ADWR provided their final recommendation that the assignment and transfer is consistent with the water management objectives presented in ADWR’s “Colorado River Transfer Policy” and recommended Reclamation initiate the assignment and transfer process.

Reclamation placed a legal notice inviting public review of the partial assignment in the *Parker Pioneer* newspaper. The notice ran on April 22, April 29 and May 6, 2020. No comments were received.

The FONSI and Final EA will be posted on Reclamation’s web site.