

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
DRAFT**

FINDING OF NO SIGNIFICANT IMPACT

**LONG-TERM CONTRACT RENEWAL FOR
CITY OF FRESNO**

Recommended:

Environmental Officer
South-Central California Area Office
Date

Concur:

Chief, Resource Management Division
South-Central California Area Office
Date

Concur:

Area Manager
South-Central California Area Office
Date

Concur:

Regional Environmental Officer
Mid-Pacific Regional Office
Date

Approved:

Regional Resources Manager
Mid-Pacific Regional Office
Date

FONSI No.

BACKGROUND

In accordance with Section 102 (2) (c) of the National Environmental Policy Act (NEPA) of 1969, as amended, the Mid-Pacific Regional Office of the U.S. Bureau of Reclamation (Reclamation) has determined an Environmental Impact Statement is not required for the proposed execution of the Long-Term Water Service Contract for the City of Lindsay, of the Central Valley Project (CVP). This Finding of No Significant Impacts (FONSI) is supported by Reclamation's *Friant Division Long-Term Contract Renewal Environmental Assessment (EA)*, dated January 2001, and the *Supplemental Environmental Assessment for the City of Friant, 40-Year Long-Term Contract Renewal*, dated March 2004, herein incorporated by reference.

Section 3409 of the Central Valley Project Improvement Act of 1992 (CVPIA) stipulates that Reclamation must prepare and complete a Programmatic Environmental Impact Statement (PEIS), pursuant to NEPA, analyzing the direct and indirect impacts and benefits associated with the implementation of the CVPIA. This was completed with the Record of Decision signed on January 9, 2001.

In accordance with Section 3404(c) of the CVPIA, authorization of long-term contract renewals (LTCR's) also requires appropriate environmental review. This was the subject of the Friant Division Long-Term Contract Renewal EA (Friant EA), which tiered from the CVPIA PEIS. The PEIS addressed the impacts and benefits of implementing the CVPIA provisions CVP-wide and allowed subsequent environmental documents to tier from and to incorporate the PEIS analysis. The Friant EA analyzed localized impacts of continued water deliveries of 60,000 acre feet per year (af/y) of Class 1 Friant CVP water to City of Fresno, resulting from the 25-year long-term contract. The Friant EA assumed the 25-year period would begin in 2001 and end in 2026. However, the City of Fresno's current long-term contract (No. 14-06-200-8901) does not expire until 2006. The CVPIA provided incentives for contractors to renew their contract early. Therefore it is anticipated the City of Fresno would sign their new long-term contract in 2005. Under the provisions in Public Law 88-44, (RRA); Section 9(c) of the Reclamation Project Act of 1939; Reclamation Project Act of 1956; Reclamation Project Act of 1963; and CVPIA. The City of Fresno is a Municipal and Industrial and Reclamation is offering a 40-year contract. Therefore, Reclamation prepared a Supplemental EA (SEA) in March 2004 to analyze the impacts to environmental resources for the continued water deliveries from 2005 to 2046.

The purpose of the proposed action is to execute the Long-Term Water Service Contract with City of Fresno for 40 years. The approval and long-term contract would be consistent with the provisions in the CVPIA, Reclamation Project Act, and Reclamation Reform Act (RRA). This Proposed Action is necessary to provide uninterrupted CVP water deliveries to the City of Fresno for municipal and industrial purposes for 40 years.

Three alternatives were identified in the Friant EA for the renewal of the long-term contract between Reclamation and the Friant Division Contractors. The alternatives represented a range of water service agreements provisions that could be implemented for

the long-term contract renewals. The No-Action Alternative consists of renewing the existing water service contract as described by the Preferred Alternative of the PEIS. In November 1999, Reclamation published a proposed long-term water service contract. In April 2000, the CVP Contractors presented an alternative long-term service contract. Reclamation and CVP Contractors continued to negotiate the CVP-wide terms and conditions with these proposals serving as the “bookends”. The final contract language and the long-term renewal Proposed Action represents a negotiated position between Alternatives 1 and 2. The analysis of the final contract language was included in the Final Friant EA, completed in January 2001.

The Friant EA and the scope of the analysis were developed consistent with regulations and Council of Environmental Quality. The analysis in the EA finds that the renewal of the contract is, in essence, a continuation of the “status quo”. Although there are financial and administrative changes to the contracts, they perpetuate the existing use and allocation of resources (i.e. the same amount of water is being provided to the same lands for existing/ongoing purposes). The analysis in the EA and SEA, therefore, addresses the proposed changes to the contract and the potential environmental effects of those changes. As indicated in the incorporated by referenced Friant EA, SEA, and in this FONSI, these contract changes would not result in significant deterioration of the environment.

FINDINGS

In accordance with NEPA and its implementing regulations and consistent with the analysis in the Friant EA, the Mid-Pacific Region of Reclamation has found that the Proposed Action to renew a long-term contract for water service for City of Fresno is not a major federal action that would significantly affect the quality of the human environment. Consequently, an environmental impact statement is not required. This determination is supported by the following factors:

1. **Surface Water Resources** – Under the proposed action, CVP operations and use amounts would remain the same as existing conditions. The 60,000 af/y of CVP water is used for M&I purposes within the City of Fresno’s service area. The continued deliveries of this water reduce the need for water transfers into Fresno from other sources. Tiered pricing would not likely result in significant impacts to Fresno since it would be more economical compared to water transfers. The Proposed Action would have no effect on total water supply. Although the term of the contract and environmental analysis would span until 2046, the Friant EA analyzed full build-out and conditions projected to year 2025. Water deliveries beyond 2025 until 2046 would continue under the projections for 2025. No additional water supplies would be delivered. Therefore, no significant impacts would occur to water resources as a result of water service to 2046.

The Proposed Action would not alter any CVP entitlement or impede any obligations to deliver water to other CVP contracts, fish or wildlife refuges. Currently, Friant water supplies are not permitted for deliveries for fish and wildlife purposes. CVP

Contractors would continue conjunctive use of available surface and groundwater but with more emphasis on the groundwater during dry periods when CVP supplies are limited.

2. Groundwater Resources – The City of Fresno would continue managing available surface water and groundwater as in the past. During dry periods, more groundwater is likely to be pumped when economically beneficial or when surface water is limited. Providing surface water supplies to the City of Fresno would continue the recharging of water to the aquifer over the next 40 years and maintaining the local groundwater resources.

3. Water Quality - The proposed long-term contract renewal would not change surface or groundwater quality from existing conditions. The water delivered under this proposed action is small and is of high enough quality to not lead to significant changes in surface or groundwater quality.

4. Fisheries – The Proposed Action is expected to continue existing operations and deliveries of this water. Between 2005 and 2046, there would be no changes to CVP operations or contract amounts that would affect the timing of water moving through the reservoirs, canals, or stream flows to the extent it would affect fishery resources as a result of the Proposed Action. Therefore, the Proposed Action would have no impacts on fishery resources.

5. Land Use Resources –The City of Fresno submitted a Water Needs Assessment projecting conditions in year 2025. The projected conditions assumed full build-out in 2025. The City of Fresno is expected to expand over the next several decades as a result of affordable housing and other economical pressures. The City of Fresno is responsible for managing the water supplies for the City. The Proposed Action would not result in growth-inducing impacts because there would be no changes to CVP operations or contract amounts beyond the 60,000 af/y of water. The Proposed Action would not result in significant impacts or changes to land use.

6. Biological Resources – The Proposed Action, relative to the No Action Alternative, does not increase the water service contract amounts, require additional facilities (dams, canals, etc.), or convert natural habitat to farmland, homes or businesses. Consequently, the continued historic operations under the Proposed Action would not result in any changes to the area's biological resources.

The Proposed Action results in the continued deliveries of water to the City of Fresno within historic levels and would not result in significant impacts to biological resources. Therefore, the proposed long-term contract renewal would not result in significant impacts to biological resources.

7. Threatened and Endangered Species - Consultation pursuant to the Endangered Species Act has been completed for the CVPIA PEIS and City of Fresno. The implementation of the various commitments and requirements in the biological

opinions will ensure that there would be no significant impact on listed species. The terms and conditions, reasonable and prudent measures and all environmental commitments, identified in the BO's are, hereby, incorporated by reference.

8. Recreational Resources – Recreational opportunities would remain unchanged. CVP facilities and operations would not change as a result of the renewal of the long-term contract. Fluctuations in water levels in lakes and streams would continue to depend upon volume, inflow, storage, and downstream needs and demands, all independent from the Proposed Action. The Proposed Action would have no impacts to recreation in the region.

9. Socioeconomic Resources – The Proposed Action would have a less than significant effect on socio-economical resources. Due to the higher reliability of M&I CVP water, the long-term contract renewal would not result in large variations in water deliveries or significant changes in gross revenue, net revenue, and employment in the region.

10. Cultural Resources – The Proposed Action will not result in significant impacts to eligible or significant cultural resources because no additional infrastructure would be constructed and no land use changes or conversions into farmland or other uses are proposed. In addition, there would be no increase in deliveries, land use changes, or conversion of existing natural habitat into farmland or other uses.

11. Social Conditions – The Proposed Action does not change the CVP management, facilities operation, or result in any new construction of additional facilities. Independent of the Proposed Action, present high unemployment rates would continue for the area. Agriculture would remain a large employer in the San Joaquin Valley and in City of Fresno. The continued deliveries of this water (60,000 af/y) for M&I users would not result in significant changes to social conditions or unemployment rates.

12. Air Quality – The Proposed Action would not change existing CVP facilities, operations, or result in construction of new facilities to deliver this water. The City of Fresno is preparing a 2025 General Plan and has identified areas of growth. Emission rates and volumes are expected to increase within the City of Fresno as a result of the expansion. The expansion in the City of Fresno is the result of economical pressures and is not the result of deliveries under the Proposed Action. No increase to the contract supply would occur under the Proposed Action. Therefore, the Proposed Action would not promote growth and would have no significant impacts on air quality.

13. Geology and Soils – The Proposed Action relative to the No Action Alternative would continue CVP water deliveries to Fresno with no change in the contract amount. There would be no new construction of facilities and operations which would affect soil erosion. CVP operations and flows would continue to be conducted

to prevent scouring and bank erosion. The Proposed Action would allow the groundwater recharge and diminish soil subsidence in Fresno.

14. Visual Resources – The Proposed Action would not result in construction of new facilities or land disturbing activities that could alter the visual environment. Therefore, the Proposed Action would not have a significant effect on the service area's unique or scenic landscape features.

15. Environmental Justice – The Proposed Action would not have a disproportionately high adverse affect on any one ethnic group compared to another, including land owners, farmers, and farm workers. However, any change would reflect more on individuals and skill levels who are generally economically disadvantaged. The Proposed Action would not have a disproportionately high and adverse or environmental effect on minority or low-income populations.

16. Indian Trust Assets – The Proposed Action relative to the No Action Alternative would continue CVP water deliveries with no change to the contract amount. There is no change in CVP management, reservoir operations, or facilities that would interfere with existing Indian Trust Assets (ITA's) water rights or diversions.

17. Cumulative Effects – Cumulative impacts on a CVP-wide basis were adequately addressed in the CVPIA PEIS, from which the Friant EA tiered. The analysis provides the programmatic cumulative analysis for the No-Action Alternative to which Alternatives 1 and 2 can be compared. Since the differences among the alternatives are essentially administrative/financial contractual features, there would be no addition to cumulative impacts associated with implementation of the CVPIA to resources under all alternatives.

The delivery of CVP water under the Proposed Action would not induce population growth within City of Fresno since this water would continue to be delivered on a long-term basis, between 2025 and 2046, thereby sustaining projected conditions in 2025.