

RECLAMATION

Managing Water in the West

FINDING OF NO SIGNIFICANT IMPACT

**Lower Truckee River Restoration Project at Tracy Power Plant,
West McCarran Ranch, and Upper Mustang Ranch**

Washoe County and Storey County, Nevada

FONSI 12-04-LO

Prepared by: Blue Palm Consulting, Consultant for The Nature Conservancy

Recommended by:



Date: 8/24/12

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Approved by:



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Background

The Bureau of Reclamation (Reclamation) Lahontan Basin Area Office has evaluated the potential environmental consequences of The Nature Conservancy (TNC) utilizing Reclamation Desert Terminal Lakes (DTL) grant funds for a portion of the costs of implementing river restoration at three sites on the lower Truckee River. The projects would include constructing and implementing proposed river and riparian ecological restoration at the Tracy Power Plant, West McCarran Ranch, and Upper Mustang Ranch.

Pursuant to NEPA, an Environmental Assessment (EA) was prepared for utilization of grant funds for these restoration projects entitled *Environmental Assessment – Lower Truckee River Restoration Projects at Tracy Power Plant, West McCarran Ranch, and Upper Mustang Ranch*. The EA considered two alternatives: the Proposed Action and the No-Action Alternative. The EA is incorporated by reference in this Finding of No Significant Impact (FONSI). The EA was prepared by TNC under the direction of Reclamation.

Staff specialists from Reclamation and TNC were involved in the preparation and review of the EA. The environmental review process has involved compliance with the consultation requirements under the National Historic Preservation Act (NHPA) and with consultation requirements of the Endangered Species Act (ESA). Opportunities were provided for public comment on determining the scope of the EA. Reclamation and TNC coordinated with the Pyramid Lake Paiute Tribe, Washoe Tribe of Nevada and California, Fallon Paiute-Shoshone Tribes—Fallon Paiute-Shoshone Reservation and Fallon Colony, and the Reno-Sparks Indian Colony regarding the proposed restoration projects and associated potential effects. Opportunities were provided for public review of the EA. Reclamation and TNC reviewed and considered all comments received.

Alternatives Including Proposed Action

No Action Alternative

Under the No-Action Alternative, TNC would not be allowed to use federal DTL Program grant funds provided by Reclamation for the restoration projects or the potential acquisition of the Upper Mustang site. The federal funding is necessary to implement the ecosystem and river restoration projects, and no restoration activities would occur at the sites unless sufficient non-federal funding was obtained by TNC. The No-Action Alternative is essentially equivalent to continuing the existing conditions at the Tracy Power Plant, West McCarran Ranch, and Upper Mustang Ranch sites along the lower Truckee River.

Proposed action

The Proposed Action allows TNC to use Desert Terminal Lakes program funding for a portion of TNC's costs of restoration activities. This includes potential acquisition of the Upper Mustang site, and ecological restoration work on 190 acres (113 acres at Tracy Power Plant, 36 acres at West McCarran Ranch, and 41 acres at Upper Mustang Ranch), located in and immediately

adjacent to the lower Truckee River, east of the cities of Reno and Sparks, south of Interstate 80, in Washoe County and Storey County, Nevada. Proposed work would restore the physical river channel and riverbed at the three sites on the lower Truckee River; improve habitat for native vegetation, fish, and wildlife; improve water quality; aid flood management; and remove and manage weed species at the three sites. The activities at the Upper Mustang (if acquired) and West McCarran Ranch sites would occur on private lands owned and managed by TNC. The Tracy Power Plant site is owned and managed by NV Energy. The work at Tracy would be done under a restoration easement.

Findings

Based on the attached EA, Reclamation finds that the Proposed Action is not a major Federal action that will significantly affect the quality of the human environment. The attached EA describes the existing environmental resources in the Proposed Action area, evaluates the effects of the No Action and Proposed Action alternatives on the resources, and proposes measures to avoid, minimize, or mitigate any adverse effects. This EA was prepared in accordance with NEPA, Council on Environmental Quality (CEQ) regulations (40 CFR 1500-1508), and DOI Regulations (43 CFR Part 46).

Effects on several environmental resources were examined and any adverse impacts are minor and restricted to short-term, localized effects. No significant effects were identified for any resource. Beneficial environmental impacts are expected for several resources. This analysis is provided in the attached EA, and the analysis in the EA is hereby incorporated by reference.

(1) Impacts that may be both beneficial and adverse. Short-term, temporary effects in terms of air quality, water quality, terrestrial and aquatic habitat changes, and noise are foreseeable during construction. These effects are expected to be minor and would not be significant. The site restoration designs contain elements that would avoid potentially significant effects to sensitive resources, including biological resources and cultural resources. Long-term beneficial effects would accrue in terms of flood attenuation, water quality, and fish and wildlife habitat.

(2) The degree to which the selected alternative will affect public health or safety.

The Proposed Action would not adversely affect public health and safety. No structures for human occupancy would be developed in the floodplain; the engineering design of the restoration work in the river considered the lower Truckee River flood regime and infrastructure that would need to be protected from flood flows. The Proposed Action would result in improvements for flood management and riverbank protection. Minor beneficial effects would occur in terms of public access for low-intensity recreation uses.

(3) Unique characteristics of the geographic area. The river itself is a regionally unique resource, and implementation of restoration activities at the three sites would generally be beneficial to that resource and its functions. Restoration activities would occur in proximity to cultural resources, wetlands, and riparian habitat; however adverse effects are avoided or substantially reduced through avoidance, project-specific design elements, and mitigation measures. Biological resources including fish and wildlife resources in the area include species and habitats found throughout the lower Truckee River region, including special-status species.

Cultural resources at the three restoration sites have been inventoried, and consultation has been completed with the State Historic Preservation Officer (SHPO) under Section 106 of the NHPA.

(4) The degree to which the effects on the quality of the human environment are likely to be highly controversial. No aspect of the Proposed Action has been identified as highly controversial related to scientific aspects of the proposed restoration project. Scientific literature supports the engineering design concepts used for this project.

(5) The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks. Restoration activities and techniques similar to the Proposed Action have been successfully demonstrated through earlier river restoration projects on the lower Truckee River and at other locations in the western United States, and are not considered to be unique or unusual. Scientific literature supports the engineering design concepts used for this project. There are no major predicted effects on the human or natural environment that are considered highly uncertain or that would involve unique or unknown risks.

(6) The degree to which the action may establish a precedent for future actions with significant effects or presents a decision in principle about a future consideration. Restoration work at each of the three sites and acquisition of the Upper Mustang site are independent of each other and of any future work. TNC will be using other funding sources in addition to DTL program funding, but the other funds are not dependent on DTL funding. Restoration of the three sites is a continuation of a long-term restoration program on the lower Truckee River that has already had several similar projects completed near the proposed new sites. Monitoring the implementation and effectiveness of restoration at the new sites would add to a body of knowledge about restoration of river ecosystems along the lower Truckee River.

(7) Whether the action is related to other actions with individually insignificant but cumulatively significant impacts. Since 2001, TNC has implemented restoration projects along the Truckee River as part of the Truckee River Project. Approximately 8.2 river miles and 737 acres of floodplain and upland habitat have been restored between Lockwood and 102 Ranch. TNC has collaborated with local, state, and federal agencies, tribal groups, and interested stakeholders on these projects. A major partner has been the Truckee River Flood Management Authority. No cumulative significant impacts have been identified related to the new proposed restoration projects.

The project would have no adverse cumulative effects on climate, geology, socioeconomics, traffic, visual quality, noise, land use, recreation, and cultural resources. The project has the potential for short-term minor cumulative effects related to air quality, hydrological resources, water quality, existing vegetation, wildlife, and aquatic species. Mitigation measures would reduce these impacts to less than significant.

The proposed project in conjunction with reasonably foreseeable future projects would restore the environmental damage along the river, and provide long-term cumulative benefits related to flood management, water quality, habitat for special-status species, biological productivity and diversity, and invasive weed eradication.

(8) *The degree to which the action may adversely affect districts, sites, structures, or other objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources.*

As required by Section 106 of the National Historic Preservation Act, Reclamation consulted with Indian tribes and State Historic Preservation Officer (SHPO) regarding the proposed action's potential effects on historic properties. Reclamation determined that no historic properties would be affected pursuant to 36 CFR Part 800.4(d) (1), and the SHPO concurred with this finding in a letter dated July 16, 2012. If any cultural resources are encountered during project implementation, all work will stop until proper procedures and protocol have been completed and Reclamation provides a written notice to proceed.

(9) *The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act.* The EA assesses the potential effects to federally listed species under the Endangered Species Act (ESA) and to candidate species. Within the project vicinity, four listed and candidate species were identified by the U.S. Fish and Wildlife Service: the endangered cui-ui sucker (*Casmistes cujus*), the threatened Lahontan cutthroat trout (LCT) (*Oncorhynchus clarki henshawi*), the candidate yellow-billed cuckoo (*Coccyzus americanus*), and the candidate greater sage grouse (*Centrocercus urophasianus*).

Two types of LCT are recognized – the lacustrine and the fluvial forms. The lacustrine form of LCT does not occur in the reaches of the river affected by the Proposed Action and would not be directly affected. The likelihood of indirectly affecting the lacustrine form of LCT is remote because of separation distance, expected mixing and settling of mobilized sediment, and best management practices (BMPs) incorporated in the construction plans. Limited, seasonally unsuitable, and currently degraded habitat for fluvial LCT does occur in the affected river reach. The LCT are from planted hatchery stock and are not known to spawn in this area. Numbers of individual fish in the affected reaches are assumed to be limited. Therefore, while some potential exists that the project-related, in-river construction could result in direct injury, stranding, or mortality of individual fish, the Proposed Action would not significantly diminish the species' population, reproduction, or distribution and any effects are would not be significant.

Similar to the lacustrine form of LCT, cui-ui suckers do not occur in the reaches of the river affected by the Proposed Action because they are blocked by Derby Dam, which is downstream of the proposed restoration sites. Cui-ui would not be directly affected because they are more than five miles downstream from the nearest restoration site (Tracy Power Plant), and cui-ui would not be in the Truckee River at the time of construction. BMPs would minimize any potential impacts to water quality.

Implementation of the Proposed Action would have beneficial effects on fluvial LCT by creating habitat and improving water quality. The short-term and localized temporary impacts on habitat are expected to be offset in the long term by beneficial changes. BMPs and mitigation measures are incorporated into the proposed restoration construction activities to further reduce adverse effects to the listed species. The potential for substantial adverse effects to either of these listed species is low and intensity of any adverse effects has been reduced by BMPs and mitigation measures to levels that are not significant.

The yellow-billed cuckoo was considered rare when it was last recorded on the lower Truckee River in 1868. Repeated surveys have failed to detect the species, which is associated with large, contiguous blocks of dense, multi-story riparian forest. The species is not present and thereby would not be adversely affected. Restoration of suitable habitat and recolonization of this species is a goal of TNC's Truckee River Project.

Greater sage-grouse are not known to be present in the project area and would not be affected by the project. Limited areas of sagebrush occur in two of the proposed project sites. These areas are in historic floodplains that were colonized by sagebrush when the Truckee River became disconnected from its floodplain. There are no known sage-grouse leks within seven miles of the proposed project area.

(10) Whether the action threatens a violation of federal, state, or local law or requirements imposed for the protection of the environment. The Proposed Action would not threaten to violate any federal, state, or local law, regulation, or requirement imposed for protection of the environment. Consultation has been conducted as required under the NHPA and the ESA. TNC would be responsible for obtaining and holding necessary permits and authorizations.

Consultation and Public Involvement

Consultation occurred by Reclamation with the US Fish and Wildlife Service (USFWS) related to federally listed species under the Endangered Species Act. The USFWS has issued a Biological Opinion on the proposed restoration projects.

A press release announcing the availability of the EA and requesting comments was issued on April 16, 2012, and a letter was sent to interested parties on April 13, 2012, notifying them about the EA review and comment period. The EA was posted on the Bureau of Reclamation Mid-Pacific NEPA website. The formal comment period extended from April 16 to May 16, 2012. Two written comment letters were received; one from Mr. John Webster Brown and a second from the Nevada Chapter of the Associated General Contractors of America. Responses were prepared to their comments and are included with their letters in a new EA Appendix C.

The Pyramid Lake Paiute Tribe, the Washoe Tribe of Nevada and California, the Fallon Paiute-Shoshone Tribe and the Reno-Sparks Indian Colony Washoe Tribe were sent a letter dated April 16, 2012, requesting EA review and comments.

Decision

Reclamation's decision is to implement Alternative 2, identified as the Proposed Action in the EA. The decision is based on the environmental analysis contained in the attached EA (April 2012) completed in accordance with the National Environmental Policy Act. Reclamation makes a finding of No Significant Impact as the project is not a major federal action and there is no evidence to indicate that the Proposed Action will significantly affect the quality of the human environment or the natural resources in the area. An environmental impact statement is therefore not required for the Proposed Action.