ADDENDUM

to the

ENVIRONMENTAL IMPACT REPORT

And

SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT

to the

ENVIRONMENTAL IMPACT STATEMENT

for the

SAN JOSÉ NONPOTABLE RECLAMATION PROJECT

now known as the SOUTH BAY WATER RECYCLING PROGRAM

October 13, 2009

Purpose and Background

The City of San José certified a Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project, now known as the South Bay Water Recycling Program (SBWR), on November 18, 1992. This EIR evaluated the City's overall water recycling program and provided project-level analysis for those pipelines and users that had been identified at that time. Fourteen Addenda to the FEIR have been adopted subsequent to its certification. The Addenda addressed additional pipelines and other facilities to serve users within the original Program area, where impacts were determined to have been fully evaluated in the original Program EIR. These Addenda, and the SBWR projects they cover are listed below:

- Addendum #1 Diversion Facility (August 1995)
- Addendum #2 Changes to Golden Triangle facilities (December 1995)
- Addendum #3 Expanded Phase I Area (April 1996)
- Addendum #4 Miscellaneous Golden Triangle items (May 1996)
- Addendum #5 Deferred/Infill Projects (June 1998)
- Addendum #6 Stage 1 Pipeline Extensions (November 1999)
- Addendum #7 Additional Santa Clara and Milpitas Pipeline Extensions (December 1999)
- Addendum #8 Silver Creek Pipeline (September 2001)
- Addendum #9 Central Park (SC-6) Pipeline (September 2003)
- Addendum #10 City of Santa Clara Realignment (August 2003)
- Addendum #11 San José Infill Extension Projects (July 2004)
- Addendum #12 SJ/SC (SJ12) Connector and Related Extensions (February 2005)

1

- Addendum #13 Zone 3 Reservoir and Pipeline (March 2005)
- Addendum #14 Airport Main (SJ-19) Extension (August 2009)

In addition to the Addenda listed above, the City of San José prepared the following California Environmental Quality Act (CEQA) documentation for the Phase 2 Pipelines, which extended pipelines in Milpitas, Santa Clara and San José, and slightly expanded the program area:

• Initial Study/Environmental Assessment for the South Bay Water Recycling Program Phase 2 (May 2000), which led to the adoption of a Negative Declaration in July 2000

Because the project is funded in part by the U.S. Bureau of Reclamation (USBR), National Environmental Policy Act (NEPA) documentation has also been prepared for the project, as listed below:

- Final EIS May 1996
- Record of Decision for EIS July 1996
- Final EA/FONSI December 1996

The Addenda described above also are considered supplemental information to the NEPA documents. The Industrial 1 (Phase 1C-1) pipeline will serve areas previously described in the CEQA/NEPA documents.

Since the preparation of the most recent Addendum, an additional pipeline extension within the original Program area has been identified for construction as part of the SBWR. This pipeline, termed Santa Clara Industrial 1 will connect to the existing pipeline in three separate areas of the City of Santa Clara. The three projects are as follows.

- Norman Avenue (approximately 875 feet of 8-inch pipe). The Norman Avenue segment
 of the Industrial 1 project is a spur that would connect to the existing recycled water
 pipe on Bassett Street. The purpose of the project is to serve an industrial customer on
 Norman Avenue.
- Duane Avenue (approximately 1,195 feet of 8-inch pipe). The Duane Avenue segment of the Industrial 1 project is a spur that would connect to the existing recycled water pipe located in a storm culvert vault on Duane Avenue west of Lafayette Street. The purpose of the project is to serve an industrial customer on Duane Avenue.
- Comstock Street (approximately 620 feet of 12-inch pipe). The Comstock Street segment of the Industrial 1 project is a spur connecting to an existing recycled water pipeline that runs along Lafayette Street.

The additional users will help fulfill the Program's goal of diverting an additional 20 million gallons per day (mgd) of effluent from discharge to the South San Francisco Bay to beneficial reuse in the Program area. The purpose of this Addendum is to document that environmental review for this pipeline either has already been accomplished through previously certified environmental documents or to provide additional review where required. Construction of the pipeline is scheduled to begin in the 2009/2010 Fiscal Year. This Addendum has been prepared in accordance with Section 15164 of the CEQA Guidelines, which state that an Addendum to a previously certified EIR may be prepared if only minor technical changes or additions to the EIR are necessary. USBR will use this Addendum for NEPA compliance.

Description of Pipeline Extension

Figure 1 shows the Santa Clara Industrial 1 pipeline extension, which is addressed in this document. The pipeline segments and their environmental review status are listed below:

TABLE 1 Industrial 1 Pipeline Extension

Extension	Street Segments Included	Environmental Review Status
Industrial 1	Norman Avenue	Addressed at program level but not at project level in existing environmental documents
	Duane Avenue	
	Comstock Street	

INSERT FIGURE 1

The environmental analysis in this Addendum addresses this pipeline extension, which is described in more detail below:

Industrial 1

This extension is located within the City of Santa Clara and will provide recycled water to three separate locations on Norman Avenue, Duane Avenue, and Comstock Street. Norman Avenue is a short street that runs between Lafayette Street and Thomas Road (approximately 1,850 feet). Norman Avenue serves heavy industrial uses in the City of Santa Clara. The area contains older, heavy industrial businesses, and is completely developed. Norman Avenue crosses a single Union Pacific Railroad track at a fully signaled at-grade crossing just west of Lafayette Street.

Duane Avenue is located immediately south of U.S. Highway 101 (Bayshore Freeway), running between Lafayette Street and Jay Street (approximately 4,000 feet). The street is approximately 35 feet wide, including a parking lane on the south side of the street. It is part of the internal street system for a large industrial park bounded by U.S. Highway 101 to the north, Central Expressway and Scott Boulevard to the south, Lafayette Street to the east, and San Tomas Expressway to the west. The project area is a 1,850-foot segment of Duane Avenue that provides access to existing heavy and light industrial businesses. The area is fully developed.

Comstock Street is located immediately north of Central Expressway, running between Lafayette Street and Scott Boulevard (approximately 2,800 feet). It is the southernmost part of the internal street system for a large industrial park described above for the Duane Avenue segment. The project area is a 620-foot segment of Comstock Street in an S-shaped configuration that provides access to existing heavy and light industrial businesses. The area is fully developed.

Operation

Proposed recycled water users are consistent with those described in the 1992 EIR. Operation of the pipelines would be the same as described in previous environmental documents and would be similar to operation of the existing potable water distribution system, with the addition of safeguards for use of recycled water. Signs would be posted to notify the public of areas were recycled water is being used. Pipelines and taps supplying recycled water at user sites would be identified.

Construction Methods

Construction of the pipelines would occur within existing rights-of-way, using the "cut and cover" method. This method involves excavating an open trench sized to accommodate the size of the pipe, laying pipe, and replacing and compacting soil to refill the trench. The trench is then restored to original or better condition. Construction equipment would typically occupy approximately 20 to 26 feet of the affected roadways. On Norman Avenue, the pipeline would be connected to the existing recycled water pipeline on Bassett Street. On Duane Avenue, the pipeline would be connected to the existing recycled water pipeline on the same street. On Comstock Street, the pipeline would be connected to the existing recycled water pipeline on Lafayette Street.

Setting

The environmental setting of the SBWR area has been described in Sections 3.1 through 3.16 of the 1992 Environmental Impact Report (City of San José, 1992), the Final Environmental Impact Statement (U.S. Bureau of Reclamation, 1996), and the Environmental Assessment for the Revised South Bay Water Recycling Program (U.S. Bureau of Reclamation, 1996). This information was updated and expanded to include new areas in south San José in the Initial Study/Environmental Assessment for the South Bay Water Recycling Program Phase 2 (City of San José, 2000). The following environmental analysis section provides a summary description of the setting, including any changes from the information provided in those documents.

The project area is urbanized, with land uses including commercial, industrial, and public. The zoning designations for the project areas are Light Industrial (ML) on Duane Avenue, Heavy Industrial (MH) on Norman Avenue, and ML and Public or Quasi-Public (B) on Comstock Street.

Environmental Analysis

The pipeline extension evaluated in this Addendum is located in an area that has been previously addressed in certified environmental documents, as noted above. The conclusions in this Addendum are based on information contained in the certified environmental documents and subsequent field verification. Following are conclusions for each impact category.

Geology and Seismicity

No new impacts have been identified. The pipeline does not cross a fault zone, and is in a level area not subject to landslides. The project will comply with previously identified mitigation measures for this impact category, which are detailed in the Design Guidance Manual for the project. These measures include appropriate seismic design features, liquefaction protection in areas of high liquefaction potential, and measures to protect the pipeline against corrosive and expansive soils. With this mitigation there would be no significant impacts.

Surface Water Hydrology and Water Quality

No new impacts have been identified. No aboveground facilities are proposed in areas subject to flooding. The pipeline extension is not in an area subject to seiches, tsunamis or mudflows, and does not include construction of levees or dams. Recycled water quality was evaluated in previous document and determined to be acceptable for use in landscape irrigation. The project will comply with previously identified mitigation measures for this impact category, which include monitoring and management of recycled water quality, control of irrigation so as to avoid surface runoff from excessive irrigation, and preparation of a Storm Water Pollution Prevention Plan as appropriate to ensure that there are no adverse effects on water quality during pipeline construction. With this mitigation there would be no significant impacts.

Groundwater Hydrology and Water Quality

No new impacts have been identified. The project does not involve extraction or use of groundwater and would thus not cause subsidence of land. The area served by this pipeline extension is already being irrigated, so irrigation with recycled water would not affect groundwater levels or gradients. The project will comply with previously identified mitigation measures for this impact category, which include measures to protect groundwater during construction and a Groundwater Monitoring and Mitigation Plan for the SBWR. With this mitigation there would be no significant impacts.

Land Use

The land uses along the proposed pipeline routes includes heavy and light industrial, as well as public facilities. No new impacts have been identified. The installation of a buried pipeline would have no long-term impacts on existing land uses; construction impacts would be temporary and not significant. The project will comply with previously identified mitigation measures for traffic, noise, air quality and visual impacts of construction, which would address the construction-period land use impacts.

Air Quality

As noted above land use along the pipeline route is mostly industrial. There are no sensitive receptors such as residential uses, churches, or schools along the pipeline corridor. The area could be affected by short-term construction-related emissions and dust. The project would not generate operational emissions, and no odor problems are expected to be associated with pipeline operation. The project will comply with previously identified construction-period mitigation measures for this impact category, which follow the Bay Area Air Quality Management District's Basic Control Measures for construction air quality impacts. With this mitigation there would be no significant impacts.

Traffic

No new impacts have been identified. Before the start of construction, a traffic management plan will be prepared for the pipeline extension. The project will comply with previously identified mitigation measures for this impact category, which include time of day restrictions, temporary detours for any areas requiring lane closures, bike lane, and pedestrian mitigation measures. With these mitigation measures there would be no significant impacts.

Biological Resources

The area along the pipeline routes is a highly developed and disturbed urban area with no natural vegetation. Construction would not have significant impacts on biological resources. Construction will stay within previously disturbed areas of the public right of way. The project would not affect any threatened or endangered species.

Hazardous Materials

No new impacts have been identified. The project will comply with adopted protocols for handling any contaminated materials that might be uncovered during construction

activities. The project will comply with all other previously identified mitigation measures for this impact category, which include preparation of a Phase I Site Assessment for the pipeline route. With this mitigation there would be no significant impacts.

Public Health

Previous environmental documents have determined that use of recycled water does not pose significant risks. No new impacts have been identified. The project will comply with previously identified mitigation measures for this impact category, including Regional Water Quality Control Board general requirements and Title 22 requirements for water reclamation. With this mitigation there would be no significant impacts.

Noise

Land uses along the pipeline routes include heavy and light industrial as well as public facilities. These uses could be affected by short-term construction-related noise that would temporarily increase noise levels above the background noise in areas around the project site. Although noise increases during the construction period would be considered significant, the overall impact would be reduced to a less-than-significant level by the short duration of the impact, implementation of noise controls, and limited hours of construction. This construction noise impact was fully addressed in the 1992 EIR and in the 2000 Negative Declaration. There will be no operational noise impacts associated with the pipeline. The project will comply with previously identified noise control measures for construction noise impacts.

Public Services and Utilities

No new impacts have been identified. During construction there is the potential for effects on police and fire services due to construction in roadways. However, the project would comply with all required procedures for noticing appropriate agencies regarding roadway work. With these noticing procedures construction would not be expected to cause significant problems during construction. Measures are also in place to prevent disruption of utility lines.

Visual Resources

No new impacts have been identified. Pipelines would be buried and would not be visible after construction, and would thus have no long-term visual impacts.

Historic and Archaeological Resources

Historic and archaeological resources are identified and evaluated in the Historic Property Survey Report and is based on record searches and field surveys (Basin Research Associates, 2009).

No historic properties listed, determined eligible, or potentially eligible for inclusion on the NRHP have been identified in or adjacent to the Area of Potential Effects (APE) as result of archival research, consultation and a field inventory. The APE is defined as the areas subject to direct impact including the pipeline corridor and any temporary construction easements. The Area of Potential Effects includes all areas where direct or

indirect impacts may occur. The horizontal and vertical Area of Potential Effects (APE) consists of the proposed pipeline alignment within the public right of way from curb to curb or path and path periphery. No project specific mitigation measures are required for historic properties/cultural resources.

Post-review discoveries shall be handled as per 36 CFR Part 800.13(b). The development of a formal Post-Review Discovery Plan is not recommended due to the very low potential for exposing prehistoric or historic archaeological material within or adjacent to the APE. The exposure of any Native American burials shall be handled in accordance with state law.

No prehistoric or historic archaeological sites have been recorded within or adjacent to the three alignments. One prehistoric archaeological resource, CA-SCl-802 (P-43-001080), consisting of 10 Native American burials, is located 1000 feet southeast of Duane Avenue and 600 feet northeast of Comstock Street. The associated sediment suggests the possible presence of a marsh or riparian environment. The general absence of previously reported subsurface cultural material in the APE could be the result of several factors. Cultural materials could have been buried or removed by periodic flooding and scouring associated with Saratoga and/or San Tomas Aquinas creeks and/or the Guadalupe River. In addition, past development activities including road work, subsurface utilities, construction associated with San Tomas Expressway, building construction, and other infrastructure activities with native soil impacts have not resulted in the exposure of buried prehistoric and historic archaeological materials.

The identification effort included archival research, a review of pertinent literature, a systematic archaeological field inventory, consultation with the Native American Heritage Commission (NAHC) and individuals and groups recommended by the NAHC, and contacting the City of Santa Clara Planning Division of the Planning and Inspection Department.

The results of the archival research and field study found no evidence of significant prehistoric or historically significant archeological resources. No known prehistoric, ethnographic, traditional or contemporary Native American resources have been identified in or adjacent to the APE. No historic properties listed, determined eligible, or potentially eligible for inclusion in the NRHP have been identified in or adjacent to the proposed project. No American Period archaeological sites have been recorded or reported in or adjacent to the proposed project aside from CA-SCI-799H. No evidence of this site was observed during the archaeological field survey.

The SBWR has made a reasonable and good faith effort to identify historic properties listed, determined, or potentially eligible for inclusion on the NRHP (36 CFR Part 800.4) within or immediately adjacent the project's APE pursuant to the NHPA of 1966 (as amended) (16 U.S.C., Section 470f) and its implementing regulations 36 CFR Part 800. The identification effort included a records search, literature review, consultation with local Native Americans, and a field inventory. No NRHP listed, determined or potentially eligible resources are present within or adjacent to the APE.

The regulations implementing Section 106 of the NHPA define an effect as any action that would alter the characteristics of the property that may qualify the property for

inclusion in the NRHP; and, diminish the integrity of a property's location, setting, design, materials, workmanship, feeling or association (36 CFR Part 800.5(a)(1-2)). A determination of No Historic Properties Affected is applicable for historic properties since no properties are within or adjacent to the APE that are listed, eligible or appear to be eligible for inclusion on the NRHP.

No mitigation measures are required. The proposed undertaking will not affect any NRHP listed, determined or potentially eligible properties.

Recreation

No new impacts have been identified. The project will comply with previously identified mitigation measures for this impact category.

Indian Trust Assets

Indian trust assets (ITAs) are legal interests in assets that are held in trust by the U.S. government for Federally recognized Indian tribes or individuals. Assets can be real property, physical assets, or intangible property rights, such as a lease, or right to use something. ITAs may include lands, minerals, and natural resources, as well as hunting, fishing, and water rights. Indian reservations, Rancherias, and public domain allotments are examples of lands that are often considered trust assets.

Based on a review of ITA data, the project does not impact ITAs.

Environmental Justice

Federal actions are required to address environmental justice in minority populations and low-income populations. The purpose is to avoid the disproportionate placement of any adverse environmental, economic, social, or health effects resulting from Federal actions and policies on minority and low-income populations.

The Project would supply recycled water to customers and includes construction of an additional recycled water pipeline to an existing system. The proposed project would have construction impacts that would be temporary and limited to the area of pipeline being constructed each day. Operation of the Project would be conducted in accordance with all applicable federal and state requirements. There are no Federal standards governing wastewater reuse in the United States. The California Department of Public Health established water quality criteria for reclamation operations, which are set forth in Title 22, Division 4, Chapter 3, of the California Code of Regulations. The Project would be designed and operated in accordance with the applicable Title 22 requirements and would therefore not have a significant impact on public health or water quality.

Project impacts would be temporary (during construction) and would be mitigated to less than significant levels. Implementation of the Project would not disproportionately affect any minority or low-income populations.

Cumulative Impacts

No new impacts have been identified.

Conclusions

The proposed additional pipeline extensions would not result in any new environmental impacts that were not previously identified in certified environmental documents. The project will comply with all appropriate mitigation measures that have already been identified and incorporated into the SBWR Mitigation Monitoring Program. Pursuant to Section 15164 of the CEQA Guidelines, the minor changes made to the project by the Additional Pipeline Extensions do not raise important new issues about significant impacts on the environment.

References

Busby, Colin I., Donna M. Garaventa, Melody E. Tannam and Stuart A. Guedon, 1996. Historic Properties Treatment Plan: South Bay Water Recycling Program [Cities of Milpitas, San José, Santa Clara, Santa Clara County, California]. On file with City of San José.

Basin Research Associates, September 2009. Historic Property Survey Report/Finding of Effect, South Bay Water Recycling Stimulus Projects, Santa Clara Industrial 1. City of San Jose, Santa Clara County.

City of San José 1992. Final EIR for the San José Nonpotable Reclamation Project. November.

City of San José, August 1995. Addendum #1 to the Final EIR for the South Bay Water Recycling Program (Diversion Facility).

City of San José, December 1995. Addendum #2 to the Final EIR for the South Bay Water Recycling Program (Golden Triangle).

City of San José, April 1996. Addendum #3 to the Final EIR for the South Bay Water Recycling Program (Expanded Phase I Area).

City of San José, May 1996. Addendum #4 for the Final EIR for the South Bay Water Recycling Program (Miscellaneous Golden Triangle items).

City of San José 1998. Addendum #5 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project — Deferred/Infill Projects (June 1998).

City of San José 1999. Addendum #6 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project — Stage 1 Pipeline Extensions (November 1999).

City of San José 2000. Addendum #7 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project — Milpitas Extension, Tasman Drive Interconnection Extension (November 2000).

City of San José 2000. Initial Study/Environmental Assessment for the South Bay Water Recycling Program Phase 2, May.

City of San José 2000. Negative Declaration for the South Bay Water Recycling Program Phase 2, July 12.

City of San José 2003. Addendum #8 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project – Silver Creek Pipeline (September 2003).

City of San José 2003. Addenum #9 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project—now known as the South Bay Water Recycling Program—Central Park Pipeline (September 2003).

City of San José 2003. Addenum #10 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project—now known as the South Bay Water Recycling Program—City of Santa Clara Realignment (August 2003).

City of San José 2004. Addendum #11 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project — San José Infill Extension Projects (2004/2005).

City of San José 2005. Addendum #12 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project—San José/Santa Clara Connector and Related Extensions (February 2005).

City of San José 2005. Addendum #13 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project — Zone 3 Reservoir and Pipeline (March 2005).

City of San José 2009. Addendum #14 to Final Environmental Impact Report (FEIR) for the San José Nonpotable Reclamation Project — Airport Main (SJ-19) Extension. (August 2009).

Santa Clara County 2002. Santa Clara County Fault Rupture Hazard Zones, http://www.sccplanning.org. Section 11.