FINDING OF NO SIGNIFICANT IMPACT

C DITCH/NEEDLE ROCK PIPELINE PROJECT, DELTA COUNTY, COLORADO

In accordance with the National Environmental Policy Act of 1969, as amended, and the Council on Environmental Quality’s Regulations for implementing the procedural provisions of the National Environmental Policy Act (40 CFR Part 1500-1508), the Bureau of Reclamation (Reclamation) has prepared an Environmental Assessment (EA) for C Ditch/Needle Rock Pipeline Project (Project) near Crawford, Colorado. The EA assesses a No Action and Proposed Action Alternative. Based on the following, Reclamation has determined that the proposed action with implemented mitigation measures will not result in a significant impact on the human environment.

Background

Reclamation is working with the U.S. Department of Agriculture and the Bureau of Land Management (BLM) in the Colorado River Basin Salinity Control Program to implement many salinity control projects on the Colorado River. The program’s overall goal is to cost-effectively reduce the amount of salinity in the Colorado River.

Reclamation’s Basinwide Salinity Control Program opened the program to competition through a ‘Funding Opportunity Announcement’ process. New salinity control projects are funded through a cooperative agreement between Reclamation and the Project sponsor. The facilities will continue to be owned, operated, maintained, and replaced by the project sponsors.

C Ditch Company

The C Ditch Company is a private, non-profit irrigation company that manages several miles of water conveyance ditches in Delta County, Colorado. The C Ditch system diverts water from Cottonwood Creek, a tributary of the North Fork of the Gunnison River in the lower Gunnison River watershed of the upper Colorado River Basin. Aspen Canal intersects C Ditch approximately 0.9 mile downstream of the C Ditch origin on Cottonwood Creek, and is operated by the Crawford Water Conservancy District. The C Ditch average annual diversion from the Gunnison basin is approximately 5,730 acre-feet, and the irrigation season length is averages 153 days. The annual historic depletion associated with these diversions is approximately 906 acre-feet per year.
**Purpose and Need**

The Colorado River and its tributaries provide municipal and industrial water to about 27 million people and irrigation water to nearly four million acres of land in the United States and another 2.3 million people and 500,000 acres in Mexico. Elevated salinity concentrations in the River are a major concern in both the United States and Mexico. Elevated salinity levels have impacts to agricultural, municipal, and industrial water users.

In June 1974, Congress enacted the Colorado River Basin Salinity Control Act, Public Law 93-320, which directed the Secretary of the Interior to proceed with a program to enhance and protect the quality of water available in the Colorado River for use in the United States and Republic of Mexico. In October 1984, Congress amended the original act by passing Public Law 98-569 to address wildlife habitat issues, including fish and wildlife values foregone, project funding, and operation and maintenance of habitat.

Public Law 104-20 of July 28, 1995, authorizes the Secretary of the Interior, acting through the Bureau of Reclamation, to implement a basinwide salinity control program. The Secretary may carry out the purposes of this legislation directly, or make grants, enter into contracts, memoranda of agreement, commitments for grants, cooperative agreements, or advances of funds to non-federal entities under such terms and conditions as the Secretary may require.

**Scoping/Public Involvement**

Reclamation’s scoping was primarily limited to C Ditch Company, U.S. Fish and Wildlife Service, Bureau of Land Management, Colorado Parks and Wildlife, Colorado Water Conservation Board, and the Colorado Historic Preservation Officer. A draft EA was prepared and distributed on June 24, 2013 to nine local, state, and federal agencies and organizations, and ten property owners adjacent to affected lands in the project area. Reclamation worked closely with the Bureau of Land Management to identify and address issues and concerns regarding BLM lands while preparing the draft EA.

No comments on the draft EA were received by Reclamation.

**No Action Alternative**

Under the No Action Alternative, Reclamation would not provide funding to C Ditch Company to pipe the C Ditch and associated laterals. Seepage from the canal would continue to contribute to salt loading in the Gunnison and Colorado rivers. Riparian and wetland habitats associated with the C Ditch would likely remain in place and continue to provide some benefits to local wildlife.
Proposed Action Alternative

Under the Proposed Action Alternative, Reclamation will provide funding to C Ditch to pipe approximately 2.48 miles of open irrigation ditches. The piping project includes the C Ditch (aka Lower Needle Rock Ditch) and two C Ditch laterals (the Hoff Extension and the Adam-Davis Extension). It is anticipated that implementation of the project will result in a total annual reduction of 1,283 tons of salt in the Colorado River.

<table>
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<tr>
<th>Structure Name</th>
<th>Total Existing Length (lineal feet)</th>
<th>Existing Length on BLM Land (lineal feet)</th>
<th>Length to be Piped (lineal feet)</th>
<th>Acres Served</th>
<th>Estimated Salt Load Reduction (tons/year)</th>
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<td>C Ditch</td>
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<td>12,308</td>
<td>See total below</td>
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<td>C Ditch Laterals</td>
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Summary of Findings

Reclamation conducted an analysis on a wide range on environmental criteria for the No Action and Proposed Action alternatives. Below is a summary of the analysis as discussed in the EA.

The No Action Alternative does not meet the purpose and need as described above.

Under the Proposed Action, Reclamation will approve funding of the salinity control project for the C Ditch/Needle Rock Pipeline Project which includes the replacement of approximately 2.78 miles of existing earthen canal with pipe. The Proposed Action is predicted to have no effect on Indian trust assets, environmental justice, recreation, and visual resources. Details of predicted impacts (both beneficial and negative) for other resources are discussed in greater detail below.

Water Rights and Uses – The Proposed Action would provide for improved system management; however, no changes in water uses are anticipated. Water rights would not be adversely affected.

Water Quality – Implementation of the project is predicted to result in improved water quality. The off-farm improvements included in the Proposed Action are estimated to reduce 1,283 tons of salt annually in the Colorado River. Improvements would also reduce selenium loading in the Gunnison River. However, these selenium reduction benefits haven’t been calculated.

Vegetation and Land Use- An estimated 11.1 acres of wetland and riparian vegetation supported by irrigation canal seepage is predicted to be impacted by the Proposed Action. These vegetation types are classified as non-jurisdictional wetlands and therefore not subject to Section 404 of the Clean Water Act. However, habitat values associated with the losses of these vegetation types
were classified and are subject to fish and wildlife habitat replacement. Estimated habitat values lost as a result of the Proposed Action are 7.88 habitat units.

Temporary disturbances within the footprint of the pipeline would also occur during construction. The existing canal and laterals will be dewatered and modified so that they no longer transport irrigation water. Pipeline alignments and construction footprints would be revegetated subject to the easement and agreements between C Ditch and individual land owners. Construction would follow Best Management Practices to minimize the construction footprint, protect water quality, and minimize soil erosion.

**Fish and Wildlife Resources** – Upland wildlife habitat impacted by the Proposed Action would likely result in minor temporary impacts to wildlife species within the Project Area. Local wildlife may avoid using portions of the project area because of temporary disturbances due to pipeline construction. However, these impacts should be short-term in duration. Key wildlife species such as mule deer, elk, and raptors using the Project Area are also using the adjacent agricultural fields and pastures for forage, and would return to those areas when construction disturbances cease. Impacts to 11.1 acres of adjacent habitats would directly impact those species dependent on these habitat types. Habitat evaluations estimate that 7.88 fish and wildlife habitat units would be affected under the Proposed Action. Replacement habitat will be developed to comply with the requirement of the Colorado River Basin Salinity Control Act, in accordance with a habitat replacement plan approved by Reclamation. Improved water quality would likely benefit downstream aquatic dependent species by reducing salt and selenium loading in the North Fork, Gunnison, and Colorado rivers.

**Threatened and Endangered Species** – There have been no documented occurrences of any federally threatened, endangered, or candidate species within the project area. Biological surveys conducted by Rare Earth Science, LLC found no suitable habitat for federally listed species within the project area.

Reclamation consulted with the Fish and Wildlife Service regarding impacts to downstream endangered fishes. In a memorandum dated September 12, 2013, the Fish and Wildlife Service concluded that the Proposed Action meets the criteria to rely on the Gunnison Basin Programmatic Biological Opinion (PBO) to offset depletion impacts and is not likely to jeopardize the continued existence of the species and is not likely to destroy or adversely modify designated critical habitat. A “Gunnison River Recovery Agreement” was entered into on September 13, 2013 between the Fish and Wildlife Service and C Ditch as required by the Gunnison PBO.

**Cultural Resources** – The Proposed Action will directly impact the C Ditch, which was determined as eligible for listing in the National Register of Historic Places. Avoidance of the resource is not feasible; the Proposed Action will result in an adverse effect to the C Ditch. To mitigate adverse effects, Reclamation, C Ditch Company, and the Colorado State Historic Preservation Officer will enter into a Memorandum of Agreement (MOA). The agreement will stipulate that Level I Documentation, as described in *Historic Resource Documentation, Standards for Level I, II, and III Documentation*, of the affected portions of the C Ditch are
appropriate to mitigate the adverse effects of the Proposed Action. The MOA will be executed prior to construction.

**Environmental Commitments**

The following environmental commitments will be implemented as an integral part of the Proposed Action. Environmental commitments include:

1. **Construction Activities Confined to the Surveyed Corridor** – All construction activities would be confined to rights-of-way negotiated between C Ditch Company, BLM, and the landowners. Construction activities outside of these rights-of-way would require additional review by Reclamation to determine if the existing surveys and information are adequate to evaluate additional impacts outside this area. If additional borrow or waste areas are identified, the areas will be inventoried, surveyed, and evaluated prior to use. Additional NEPA/ESA compliance activities may be required if determined by Reclamation.

2. **Disturbed Areas** – Ground disturbances would be limited to only those necessary to safely implement the Proposed Action. During construction, topsoil (if present) would be saved and then redistributed after completion of construction activities. All disturbed areas would be smoothed, shaped, contoured and reseeded to as near their pre-project conditions as practicable. Seeding and planting would occur at appropriate times with weed-free seed mixes as per landowner specifications and the BLM right-of-way permit conditions.

3. **Water Quality** – Best Management Practices (BMPs) would be implemented to minimize erosion and protect water quality. BMPs are described in greater detail in the Water Quality section of the final EA. In the event that dewatering during construction is needed, C Ditch Company or its contractor would obtain required CWA Section 402 permits prior to dewatering. BMPs include:

   a. Silt curtains, cofferdams, dikes, straw bales, or other suitable erosion control measures will be used to prevent erosion from entering water bodies during construction.
   b. Concrete pours will occur in forms and/or behind cofferdams to prevent discharge into waterway. Any wastewater from concrete-batching, vehicle wash down, and aggregate processing will be contained and treated or removed for off-site disposal.
   c. Fuels, lubricants, hydraulic fluids, and other petrochemicals will be stored and dispensed in an approved staging area. Equipment will be inspected daily for petrochemical leaks. Construction equipment will be parked, stored, and serviced only at an approved staging area.
   d. An oil spill response plan will be prepared for any area of work where spilled contaminants could flow into water bodies. All employee and workers, including those under separate contract, will be briefed and made familiar with this plan.
The plan will be developed prior to initiation of construction. An oil spill response kit, which includes appropriate-sized spill blankets, shall be easily accessible and onsite at all times.
e. Onsite supervisors and equipment operators will be trained and knowledgeable in the use of spill containment equipment.
f. Appropriate federal and Colorado authorities will be immediately notified in the event of any contaminant spill.
g. Because the Proposed Action is exempted, no Section 401 Water Quality Certification is required; however, BMPs would be implemented to protect water resources.

4. Irrigation Facilities and Structures – Pursuant to the Cooperative Agreement between C Ditch Company and Reclamation (Coop No.R12AC40002), C Ditch will permanently dewater, remove from irrigation service, and render incapable of irrigation water delivery all remaining remnants of the open ditch and laterals replaced by buried pipeline. This will require the removal of all irrigation structures and refilling the abandoned canal prim with soil.

5. Vegetation Resources – Ground disturbances would be limited to only those necessary to safely implement the Proposed Action. Best Management Practices to reduce disturbances to vegetation resources reduces the amount of planting or reseeding needed. Planting and reseeding disturbed areas, per landowner specifications, monitoring plantings to ensure establishment, control noxious weeds in disturbed areas, and the use of accepted erosion control measures during construction are all incorporated as environmental commitments for the Proposed Action.

6. Noxious Weeds – Noxious weeds shall be controlled following the Delta County Weed Management Plan.

7. Fish and Wildlife Resources – Construction areas would be confined to the smallest feasible area to limit disturbance to wildlife within the Project Area. Open pipeline trenches left overnight would be kept to a minimum to reduce potential entrainment of small animals and public safety problems. Covers shall be secured in place and shall be strong enough to prevent livestock or wildlife from falling through.

8. Habitat Replacement – Development and/or enhancement to replace the predicted 7.88 fish and wildlife habitat units lost under the Proposed Action are required under the Colorado River Salinity Control Act. C Ditch Company is responsible for developing and implementing a Reclamation approved wildlife habitat replacement plan to replace fish and wildlife values foregone as required by the Salinity Control Act. Habitat replacement will be implemented concurrently with installation of the pipelines. At the request of C Ditch Company, Reclamation staff will assist in developing potential habitat replacement, however the responsibility for habitat replacement is C Ditch Company’s. C Ditch Company has developed replacement habitat plan on private land with an existing conservation easement held by Black Canyon Land Trust, Inc. (Delta County
Document 598900 recorded on 12/21/2005. The property is located within: Section 13 Township 15 South, Range 92 West, Delta County, Colorado. No additional NEPA, ESA, or Historic Preservation Act compliance is needed to implement the habitat replacement plan at this site. Failure to develop and implement concurrent habitat replacement may result in delays in obligating funding under the Cooperative Agreement.

9. Federally Listed Species – Reclamation has completed consultation with the Fish and Wildlife Service. C Ditch Company entered into a recovery agreement with the Fish and Wildlife Service which incorporates its historic depletions under the umbrella of the Gunnison Basin Biological Opinion. In the event that other threatened or endangered species are encountered during construction, C Ditch Company shall stop construction activities until Reclamation has completed consultation with the Fish and Wildlife Service to ensure that adequate measures are in place to avoid or reduce impacts to the species.

10. Cultural Resources – Reclamation, C Ditch Company, and the Colorado State Historic Preservation office (SHPO) will enter into a Memorandum of Agreement to mitigate the Proposed Action’s documentation of the affected segments of the C Ditch prior to construction activities in accordance with the guidance for Level I Documentation found in “Historic Resource Documentation, Standards for Level I, II, and III Documentation” (COAHP 2007). The Level I documentation will include a narrative that synthesizes the existing documentation on the properties and describes the properties in the context of the development and history of the C Ditch. The report shall be submitted to the SHPO within one year of the execution of the MOW. In the event that cultural and/or paleontological resources are discovered during construction, C Ditch Company shall stop construction activities until Reclamation has completed consultation with the SHPO and appropriate measures are implemented to protect or mitigate the discovered resource.

11. Agricultural Resources & Soils – Lands previously in agricultural production will be returned to agricultural production following construction.

12. Recreation Resources – Trail access during construction for hunting, hiking, and motorized travel will be available to the BLM lands crossed by the Proposed Action from several points near or on public roads, namely the Young’s Peak trail in the Town of Crawford.

13. Livestock Grazing – The timing of grazing on the BLM cattle allotment (east end of the Proposed Action Area) will not likely coincide with construction of the Proposed Action. The timing of grazing on the BLM sheep allotment (west end of the Proposed Action Area) may coincide with construction of the Proposed Action. Notification by C-Ditch to the grazing permit holder(s) will be made if construction is to occur during a grazing period. C-Ditch will cooperate with the grazing permit holder(s) to avoid conflicts with grazing operations. Access to the grazing allotments will not be affected by the Proposed Action. Temporarily disturbed BLM lands will be revegetated with a BLM-recommended seed mix containing grasses and forbs palatable for forage.
14. Hazardous Materials – During construction, the use, storage, and disposal of hazardous waste materials and other wastes on-site will be managed in accordance with all federal, state, and local standards. Any trash or solid wastes generated during construction will be properly disposed of offsite.

Conclusions

Based on a review of comments received, analysis of environmental impacts, and coordination with the Fish & Wildlife Service under the Endangered Species Act, Reclamation concludes that implementation of the C Ditch/Needle Rock Pipeline Project with implementation of the above described mitigation, will not have significant impact on the quality of the human environment or the natural resources in the project area.

This Finding of No Significant Impact has, therefore, been prepared and is submitted to document environmental review and evaluation of the proposed action in compliance with the National Environmental Policy Act of 1969, as amended.

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Date

11/4/2013