

FINDING OF NO SIGNIFICANT IMPACT

CONVERSION OF LONG-TERM WATER SERVICE CONTRACTS TO REPAYMENT CONTRACTS

- **CLARK CANYON WATER SUPPLY COMPANY**
- **EAST BENCH IRRIGATION DISTRICT**

FONSI Reference Number: MT231-07-01F

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
GREAT PLAINS REGION
MONTANA AREA OFFICE**

2006

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FINDING

Based on the analysis of the environmental impacts as described in the final Environmental Assessment (EA), the Bureau of Reclamation finds that all potentially significant issues and resource impacts have been identified, evaluated, addressed and resolved. In accordance with the National Environmental Policy Act of 1969 (NEPA), as amended, and the Council on Environmental Quality's Regulations for Implementing the Procedural Provisions of the NEPA (40 CFR Parts 1500-1508), Reclamation has determined that the proposed action will not have a significant impact on the quality of the human environment and that an Environmental Impact Statement is not required.

DECISION AND AGENCY SELECTED ALTERNATIVE

Reclamation has decided to implement the Preferred Alternative as described in the final EA. Under this alternative, the purpose and need of this Federal action will be met and conversion of long term water service contracts to repayment contracts will be implemented. Implementation of this alternative may take place following approval of this environmental document and completion of required contracting actions.

SUMMARY OF ENVIRONMENTAL EFFECTS

Reclamation has analyzed the effects of the Preferred Alternative and compared them to the effects of the No Action Alternative in Chapter 4 of the final EA. The effects of the Preferred Alternative are summarized below:

1. Water Supply – Under the Preferred Alternative, reservoir releases of stored water and diversions of irrigation water would continue similar to the No Action Alternative and existing conditions. The main difference between the expiring water service contracts and the new repayment contracts is the inclusion of the expiring contracts' 3rd priority acreage [7,711 acres for Clark Canyon Water Supply Company (CCWSC) and 4,448 acres for East Bench Irrigation District (EBID)] in the new repayment contracts' 1st priority and 2nd priority. However, both CCWSC and EBID would be allowed to divert no more irrigation water from storage than they are currently allowed under their expiring contracts. EBID has proposed to include an additional 918 acres within the 2nd priority. Whether or not this district boundary change is approved in the future, no additional water will be diverted as part of the Preferred Alternative compared to the No Action Alternative. Fluctuations in water levels in the reservoir would continue to depend upon volume, inflow, storage, and downstream needs and demands. Reservoir storage would have a minimum target pool of 60,000 af, but could be drawn down to a minimum of 10,000 af during low water or drought years. Hydrology models predict that March end-of-month reservoir levels with the Preferred Alternative would average 151,000 af compared to 147,600 af with the No Action Alternative. During low water or drought years, March end-of-month reservoir levels would average 66,500 AF with the Preferred Alternative compared to 58,640 af for the No Action Alternative. The Preferred Alternative would have no significant impacts on water supply.

2. **Water Quality** – The Preferred Alternative would have no impact on water quality and would not change water quality trends and conditions in Clark Canyon Reservoir, the Beaverhead River, or the Jefferson River from existing conditions. The additional acreage (918 acres) proposed to be included in EBID has been farmed in the past and no major change in farming practices are being proposed. Therefore, nitrogen levels in return flows would remain similar to conditions in the No Action Alternative. Reclamation will continue to work cooperatively on water quality issues as described in the Environmental Measures section. The Preferred Alternative would have no significant impacts on water quality.
3. **Fisheries** – The Preferred Alternative would continue existing reservoir operations and deliveries of the stored irrigation water. Reservoir fisheries and fish conditions would likely improve during drought periods with this alternative because of the reduced allotments and increased reservoir storage as part of the drought management plan. The river fishery in the upper Beaverhead River will continue to see variation in flows throughout the year and range from high flows during the irrigation season to lower flows during the non-irrigation season months. Minimum reservoir releases of 25 cfs would be implemented during drought conditions. These minimum releases will protect the river fishery during drought conditions. The Preferred Alternative would have no significant impact to fisheries.
4. **Wetlands** – Conveyance systems, head gates, and management of the conveyance facilities would remain unchanged. Wetlands associated with irrigation acreage along canals, laterals, drains, and areas of return flows would receive similar volumes of water as in the No Action Alternative. Therefore, the conversion to repayment contracts would have no significant impacts on wetlands.
5. **Wildlife** – Water deliveries would remain similar to the No Action Alternative, and no habitat is proposed to be altered. Existing wildlife habitat would be similar to the No Action Alternative. The Preferred Alternative would have no significant effect to wildlife or their habitat.
6. **Threatened and Endangered Species** – Reclamation informally consulted with the United States Fish and Wildlife Service under section 7 of the Endangered Species Act. There is no construction activities related to the Preferred Alternative and water deliveries would continue similar to existing conditions. Reclamation evaluated the effect of the Preferred Alternative and determined that it would have no effect on the five threatened species in the action area. Bald eagle nests and prey will not be affected, Ute ladies' tresses or habitat will not be lost or converted to farmland, and there are no indirect impacts to bald eagle or Ute ladies' tresses. In addition, there is no potential to effect the other 3 species; grizzly bear, Canada lynx, or gray wolf. The Preferred Alternative would have no significant effects to threatened or endangered species.
7. **Social and Economic Conditions** – The Preferred Alternative, which includes elements such as the Drought Management Plan would help maintain the economic viability of the project. Water deliveries to contract water users for irrigation would continue similar to the No Action Alternative. Other uses of the reservoir and river by sportsmen, guides, outfitters, and other recreation users would also continue at levels similar to the No Action Alternative. The Preferred Alternative would result in no significant changes to social and economic conditions or unemployment rates in the area.
8. **Recreation** – Recreational opportunities would remain unchanged under the Preferred Alternative. Clark Canyon Reservoir and Barretts Diversion Dam recreation facilities and operations would not change as a result of the conversion of the long term water service contracts to repayment contracts. Fluctuations in water levels in the reservoir would continue in the future and would

depend upon volume, inflow, storage, and downstream needs and demands. The Preferred Alternative would have no significant impacts to recreation or recreation opportunities in the project area.

9. Other Resources – The Preferred Alternative would not have a significant impact on any of the following resources also considered in the EA:
 - Environmental justice – The Preferred Alternative would not result in disproportionate adverse effects on low-income or minority populations.
 - Indian trust assets (ITA) – There are no ITAs located in the project area; therefore, there is no potential to affect ITAs.
 - Water conservation – Both the CCWSC and the EBID will be required to develop water conservation plans in accordance with existing Federal law and Reclamation policy. Water conservation measures are also one of the components that will be evaluated as part of the agreement between Reclamation and Montana Department of Fish, Wildlife and Parks (MDFWP). Further NEPA compliance will be completed if there is conservation measures implemented associated with the agreement or their contractual requirements. There is no effect to water conservation.
 - Cultural resources – The area has been farmed or irrigated for the past 50+ years and the 918 acres proposed to be included in EBID boundaries has also been previously farmed. Reclamation has determined that the Preferred Alternative is a type of activity which does not have the potential to cause effects on historic properties because there will be no change in land use, no change to Reclamation-built facilities and no new ground disturbance. Therefore, the Preferred Alternative would have no potential to affect cultural resources.
 - Noxious weeds – This alternative would not increase the infestation of noxious weeds and noxious weed management would continue.
 - Prime and unique farmlands – There would be no adverse impacts to prime farmland. The 918 acres proposed to be included in the EBID boundaries could constitute a positive effect if they are classified as prime and/or unique farmlands.

10. Cumulative Effects – Cumulative impacts resulting from conversion of long-term water service contracts to repayment contracts were evaluated and described in the final EA. When the impacts of implementing this Federal action are added to other actions referred to in the final EA, the cumulative impacts would not be significant.

ENVIRONMENTAL MEASURES

Reclamation, CCWSC, and EBID have agreed to implement Beaverhead River minimum releases, include a Drought Management Plan, and implement Clark Canyon Reservoir minimum pools as part of the new repayment contracts. These measures are part of the Preferred Alternative and will help ensure the economic viability of the contract water users, as well as aid in improving the environmental health of the Beaverhead River basin. These measures are described in more detail below:

- Beaverhead River Minimum Releases – reservoir releases will not drop below 25 cfs, with the exception of required maintenance activities (i.e. inspections) for the dam and associated works. The Joint Board will make recommendations for winter reservoir releases to the Contracting Officer (Area Manager – Reclamation’s Montana Area Office) for concurrence. The Joint Board will utilize the best available forecasting data and will also give due consideration to applicable, credible, scientific data in making the recommendations. In addition, guidelines have been developed (Table 2.1 of the final EA) to assist the Joint Board in recommending the minimum winter release.

- Drought Management Plan – the plan would be triggered at specific reservoir levels based on Reclamation’s August EOM forecasts. The Joint Board would determine before the irrigation season if August EOM forecasts were lower than predetermined reservoir level triggers. In such a situation, they would then set reduced water allotments for the upcoming irrigation season. The various reservoir triggers and water allotment reductions are shown Table 2.2 of the final EA. These water allotment reductions will be measured at the individual points of diversion.
- Clark Canyon Reservoir Minimum Levels – reservoir pool levels will not drop below 10,000 af. This minimum pool level will be implemented for the protection of aquatic resources and to minimize the possibility of flushing silt from the reservoir.

In addition to the above mention environmental measures, Reclamation has committed to working on the following activities:

- Reclamation and the MDFWP have developed a partnership agreement to work cooperatively on issues; such as fisheries, water quality, and flow alteration that affect the Beaverhead River basin. This agreement will foster communication between the two agencies. Through this cooperation and coordination; Reclamation will also encourage other interested entities to participate—including (but are not limited to) CCWSC, EBID, the Beaverhead River Watershed Committee, special interest groups, and any others that would like to contribute to the well being of the Beaverhead River.
- Continue data collection through Montana State University-Bozeman and Montana Tech to fill data gaps in existing water quality information. Additional studies would be initiated as needed.
- Work cooperatively with Montana Department of Environmental Quality during the Total Maximum Daily Load planning and implementation process to work toward improving water quality on a watershed scale.
- Work cooperatively with the Beaverhead Watershed Group and other interested parties to collaboratively work toward improved water quality conditions within the watershed.

Approved: _____ Date: _____

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 Montana Area Office
 Bureau of Reclamation