



County of Sacramento
Department of
Community Development
Lori A. Moss, Director

City of Sacramento
Department of
Community Development
Max Fernandez, Director



NOTICE OF PREPARATION

MAY 17, 2013

To: **ALL INTERESTED PARTIES**
SUBJECT: **NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL IMPACT REPORT FOR THE LOWER AMERICAN RIVER FLOW MANAGEMENT STANDARD UPDATE (COUNTY CONTROL No. 09-70070)**

On behalf of the Water Forum, Sacramento County and the City of Sacramento, through the City-County Office of Metropolitan Water Planning, will be serving as co-lead agencies under the California Environmental Quality Act (CEQA) for preparation of an Environmental Impact Report (EIR) for a project to amend the Water Forum Agreement, hereafter referred to as the Agreement, to include the Lower American River (LAR) Flow Management Standard (FMS) Update. The FMS Update is a strategy for flow and temperature management within the LAR that is proposed to meet one of the elements of the Water Forum Agreement's co-equal objectives.

The Agreement was approved in 2000 by the Water Forum stakeholders, which is a diverse group of business and agricultural leaders, citizens groups, environmentalists, water managers, and local governments in the Sacramento area. Prior to approval of the Agreement, the Sacramento City Council and the Sacramento County Board of Supervisors acting as co-lead agencies under CEQA, certified the Final EIR for the Agreement.¹ Because the proposed FMS Update would implement a flow pattern in the Lower American River sufficiently different than the Improved Pattern of Fishery Flow Releases included in the original Agreement, implementation of the FMS Update qualifies as a "changed condition" that warrants amendment of the Agreement by the Water Forum. Approval of the FMS Update by Sacramento County and the City of Sacramento as an amendment to the Water Forum Agreement is a discretionary action under CEQA.

This Notice of Preparation has been sent to responsible and trustee agencies and involved federal agencies pursuant to Section 15082 of the CEQA Guidelines. Agencies should comment on the scope and content of the environmental information that is germane to the agencies' statutory responsibilities in connection with the proposed project. Due to the time limits mandated by State law, your response must be sent at the earliest possible date, but not later than 30 days after receipt of this notice.

The project description, location, and the probable environmental effects are contained in the attached materials and may also be viewed online at: <http://www.DERA.SacCounty.net>.

¹ The Draft and Final EIR for the Water Forum Agreement are posted for public viewing on the Water Forum website at: <http://www.waterforum.org/EIRdocs.cfm>

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Please send your Agency's response to this Notice to:

Catherine Hack, Environmental Coordinator
Department of Community Development
Planning and Environmental Review Division
827 7th Street, Room 220, Sacramento, CA 95814
or via e-mail at: DERA@saccounty.net.

Your response should include the name of a contact person in your agency.

Agencies with specific questions about the project should contact Tom Gohring, Water Forum Executive Director, at (916) 808-1998 for further information.

PROJECT TITLE:

LOWER AMERICAN RIVER FLOW MANAGEMENT STANDARD UPDATE

CONTROL NUMBER:

09-70070

PROJECT PROONENT, RESPONSIBLE, AND TRUSTEE AGENCIES:

Project Proponent: Water Forum
City-County Office of Metropolitan Water Planning
2831 G Street, Suite 100
Sacramento, CA 95816

Responsible Agencies:

Water Forum Agencies: Carmichael Water District, Citrus Heights Water District, Clay Water District, Del Paso Manor Water District, El Dorado County Water Agency, El Dorado Irrigation District, Fair Oaks Water District, City of Folsom, Galt Irrigation District, Georgetown Divide Public Utility District, Omochumne-Hartnell Water District, Orange Vale Water Company, Placer County Water Agency, Rancho Murieta Community Service District, Regional Water Authority, Rio Linda/Elverta Community Water District, City of Roseville, Sacramento County Water Agency, Sacramento Municipal Utility District, Sacramento Suburban Water District, and San Juan Water District

Other Responsible Agencies: State Water Resources Control Board

Trustee Agencies: California Department of Fish and Wildlife, California Department of Parks and Recreation, State Lands Commission

PROJECT LOCATION AND BACKGROUND:

Below Folsom Dam, the American River is referred to as the Lower American River (LAR) and serves as an important fish and wildlife habitat, high-quality water source, regional floodway, and regional recreational resource. The Folsom Reservoir and the LAR are the project area for the purposes of this NOP. The project area includes Folsom Reservoir, Folsom Dam, Lake Natoma, Nimbus Dam, and the American River downstream from Nimbus Dam to its confluence with the Sacramento River.

Within the project area, both Folsom Reservoir and Nimbus Dam are operated by the U. S. Bureau of Reclamation (Reclamation), as part of the Central Valley Project (CVP), to provide water for irrigation, municipal and industrial uses, hydroelectric power, recreation, water quality, flood control, and fish protection. Reclamation diverts and appropriates water at Folsom Reservoir and Nimbus Dam under existing water-right permits (Nos. 11315 and 11316). These permits were issued by the State Water Rights Board in 1958 pursuant to its Decision 893 (D-893). The State Water Resources Control Board (SWRCB), as the successor agency to the State Water Rights Board, has statutory authority over Reclamation's permits. Changes in biological, socioeconomic, legal, and institutional changes, including additional requirements to protect fishery resources within the LAR, necessitate changes in flow requirements within the LAR beyond what is established in D-893.

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After decades of disputes over proposed water diversions, protection of the river's natural values (including those related to temperature, turbidity, and flows), drought contingencies, and dam operations related to the LAR, the Water Forum process was initiated by local stakeholders. Following a 7-year, stakeholder-driven, collaborative planning process, Sacramento County, the City of Sacramento, other local jurisdictions and water agencies, and business, public, and environmental interests entered into the Agreement in 2000. The Agreement was specifically negotiated to provide a regional solution to manage water resources within the Sacramento County area in a balanced manner, and, as part of this effort, established two co-equal objectives: (1) provide a reliable and safe water supply for the region's economic health and planned development to the year 2030, and (2) preserve the fishery, wildlife, recreational, and aesthetic values of the Lower American River. The Agreement consists of seven elements, which as an integrated package, meet the co-equal objectives:

1. Increased Surface Water Diversions
2. Actions to Meet Customers' Needs While Reducing Diversion Impacts in Drier Years
3. An Improved Pattern of Fishery Flow Releases from Folsom Reservoir
4. Lower American River Habitat Management
5. Water Conservation
6. Groundwater Management
7. Water Forum Successor Effort

For purposes of the Agreement, the Improved Pattern of Fishery Flow Releases is the guidance for flow management in the LAR. It is specifically defined in the Agreement as the flow release pattern consistent with the corrected version of the Anadromous Fish Restoration Program (AFRP) flow objective for the LAR as set forth in the November 20, 1997 "Department of the Interior Final Administrative Proposal on the Management of Section 3406 (b)(2) Water." The Agreement is based on the expectation that the Improved Pattern of Fishery Flow Releases would be implemented on a permanent basis, with some minor corrections. Under the Agreement, the Water Forum signatories agreed to recommend that the SWRCB adopt the AFRP flow objectives as an updated LAR flow standard. The Agreement provides that a substantial change in the AFRP flow objectives would constitute a changed circumstance that requires consideration through a collaborative process by the Water Forum Successor Effort and ratification by Water Forum members.

Subsequent to the execution of the Agreement, the Water Forum has been working with other agencies to refine the Improved Pattern of Fishery Flow Releases. In collaboration with the Lower American River Task Force created by the Sacramento Area Flood Control Agency (SAFCA), the Water Forum was instrumental in the development of the Fish and Instream Habitat Plan (FISH Plan), the aquatic habitat management element of the River Corridor Management Plan. The FISH Plan provided essential information needed to identify actions for the long-term restoration of the lower American River. It established that flow and temperature improvements had the greatest potential for fish restoration.

With technical support from National Marine Fisheries Service (NMFS), California Department of Fish and Game (now called California Department of Fish and Wildlife [CDFW]), Reclamation, and the US Fish and Wildlife Service (USFWS), the Water Forum has developed an ecologically based flow and water temperature management plan (the proposed FMS Update) that would improve flow and water temperatures in the lower American River. The proposed FMS Update provides a framework for managing reservoir storage, LAR flows, and LAR temperatures in response to anticipated hydrologic and water storage conditions in the American River watershed through 2030 beyond the Improved Pattern of Fishery Flow Releases as defined in the Agreement.

PROJECT OBJECTIVE

The objective of the project is to help achieve the coequal objectives of the Agreement through the approval by the parties to the Agreement and the implementation by a SWRCB order amending Reclamation's permits (Nos. 11315 and 11316) of the proposed FMS Update as a legally enforceable, durable, and protective FMS for the LAR. The Agreement's coequal objectives are to:

1. provide a reliable and safe water supply for the region's economic health and planned development to the year 2030, and
2. preserve the fishery, wildlife, recreational, and aesthetic values of the Lower American River. In particular, the proposed project seeks to:
 - o Establish minimum flow requirements and water temperature objectives that are protective of the fisheries resources in the lower American River;
 - o Identify criteria for implementing the new flow requirements;
 - o Provide operational flexibility through the establishment of a multi-agency group that would regularly convene to address operational and related issues; and
 - o Develop a monitoring and evaluation program to verify the efficacy of the new instream flow requirements for the lower American River

PROJECT DESCRIPTION

The proposed project is an amendment to the Water Forum Agreement that would incorporate the proposed FMS Update into the Agreement. In accordance with the existing Agreement, the Water Forum would present the FMS Update to the SWRCB as proposed amendments to Reclamation's permits (No. 11315 and 11316).

The purposes of the proposed FMS Update are to improve the release of available water from Folsom Reservoir for LAR fisheries, regulate temperature of LAR through specific releases, and implement mitigation monitoring. The proposed FMS Update would fulfill this provision.

The two primary flow requirements that must be met by the FMS for the LAR include the minimum release requirement (MRR) at Nimbus Dam and the downstream compliance flow requirement at the H Street Bridge. At Nimbus Dam, the MRR is dependent on several factors but ranges generally from 800 to 2,000 cubic feet per second (cfs). It should also be noted that Reclamation may release more than the MRR. In determining the MRR, basic flow data is calculated based on water availability and storage supplies. It is then adjusted to reflect current water conservation efforts, available stored water supplies, and other considerations intended to aid spawning, generally protect fish, and conserve reservoir storage.

At the H Street Bridge, LAR flows must be no less than 250 cfs between January 1 and September 15 and 500 cfs between September 16 and December 31. In meeting the MRR, the downstream compliance flow at the H Street Bridge would be satisfied, assuming instream flow conditions are not modified substantially from current conditions. The MRR would be suspended if either runoff to Folsom Reservoir is projected to be less than 400,000 total acre-feet (af) or if Folsom Reservoir is projected to fall below 200,000 af in storage at any time within a 12-month period.

The FMS Update includes continuation of the American River Group (ARG), which is a panel of representatives from agencies with responsibilities for Lower American River fish resources, including Reclamation, USFWS, NMFS, and CDFW, would provide expert opinion on the continued management of flows within the LAR and provide recommendations relating to actions that could benefit aquatic resources within the LAR. The ARG, which has been

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established by Reclamation to participate in other American River programs, regularly reviews the physical, biological, and ecological status of the LAR's aquatic resources and provides an outlet to the public of pending actions and current conditions with the LAR.

An additional component of the FMS would be the preparation and implementation of an annual water temperature plan, which will contain (1) forecasts of hydrology and storage; (2) a modeling run or runs, using these forecasts, demonstrating that the temperature compliance can be attained; and, (3) a plan of operations based on the modeling run(s) that demonstrates that water release patterns conform to the plan of operations. In developing the annual water temperature plan, Reclamation will use an iterative approach, varying proposed operations, including alternate release patterns, to attain the water temperature objectives shown below. In general, flows from Nimbus and Folsom Dam would be managed, to the extent physically controllable to achieve the following:

For steelhead trout:

- 65° F or less average daily water temperature at Watt Avenue Bridge between May 15 and October 31;
 - If 65° F cannot be achieved during the period between May 15 through October 31 at any point, the target daily average water temperature at Watt Avenue may be increased incrementally (1° steps) to no more than 68° F;
 - If the aforementioned objectives cannot be achieved for three consecutive days or are exceed by more than 1° F for a single day, Reclamation, at the request of the SWRCB, shall meet with the ARG to devise alternatives to improve water temperature conditions for fisheries; and,

For Chinook salmon (fall run):

- Average daily water temperature target shall be 60° F or less at Watt Avenue Bridge in October and 56° F at Hazel Avenue in November.

Under the FMS Update, Reclamation would submit copies of the water temperature plan to the SWRCB's Deputy Director for Water Rights (Deputy Director) and NMFS. If necessary, Reclamation may submit a written determination that, after taking all actions within its authority, it is unlikely to meet the water temperature objectives. Specific iterative modeling runs that vary the release pattern must support the determination. The Deputy Director would then have ten days to approve the water temperature plan. If the Deputy Director objects to statements made therein, the SWRCB may request a hearing under the California Code of Regulations, title 23, section 767, during which the Deputy Director may seek recommendations from the ARG. If necessary, Reclamation would modify the Temperature Plan as ordered by the SWRCB.

The FMS would also include a monitoring and evaluation program so as to provide accurate data from which Reclamation and the ARG could make reasonable and educated decisions with respect to flow management within the LAR. Components to this program would include:

- River Hydrology
- Water Temperature
- Adult Chinook Salmon Population
- Chinook Salmon Spawning
- Steelhead Spawning
- Steelhead Rearing
- Chinook Salmon Downstream Movement

Each component specifies fundamental monitoring objectives and activities specifically designed to evaluate the FMS, and to provide information on non-biotic factors (i.e., hydrology and water temperature) that potentially affect LAR aquatic resources. Performance indicators that will be used to assess instream conditions associated with implementation of the FMS will be developed in a subsequent effort, potentially by the ARG, and are not part of the proposed project. As a requirement of the FMS, the FMS Monitoring and Evaluation Program would be updated periodically by Reclamation and the ARG to reflect recent monitoring efforts in the LAR and/or to incorporate new information and understanding of the LAR and its physical and biological resources.

ENVIRONMENTAL/LAND USE SETTING

The LAR is located entirely within the American River Parkway (Parkway), a 29-mile open space greenbelt that extends from Folsom Dam to the Sacramento River confluence, as shown in Figure 1. The Parkway contains riparian and upland areas that support willow, cottonwood, valley oak, interior live oak and blue oak canopy. The Parkway also includes wetlands, grasslands and seasonal floodplain areas. The river and its associated habitat support a variety of fish and wildlife species, including several species that are either commercially and recreationally important (e.g., fall-run Chinook salmon) or protected under the federal and/or state Endangered Species Acts (e.g., steelhead, spring-run Chinook salmon, valley elderberry longhorn beetle). The Parkway also provides habitat for a variety of other non-listed and resident species, including fish, turtles, frogs, toads, salamanders, perching birds, waterfowl, mammalian predator and prey species, as well as breeding and foraging habitat for birds of prey. In 2008, the County of Sacramento developed the American River Parkway Plan, which is designed to guide land use decisions affecting the Parkway, including preservation, use, development, and administration. The Parkway is designated either as Natural Preserve or as Recreation on the Sacramento County General Plan.

Additionally, the LAR is classified as a “Recreational” river within both the State and Federal Wild and Scenic River systems (See Public Resources Code §§ 5093.54[e], 5093.545[h]; 46 Fed. Reg. 7484 [Jan. 23, 1981][federal designation]). The Parkway Plan, which is the policy document for the Parkway pursuant to the Urban American River Parkway Preservation Act (See Public Resources Code § 5840), provides more specific land use designations for areas within the Parkway including: Open Space Preserve, Nature Study Area, Protected Area, Limited Recreation, Developed Recreation and Recreation Reserve. The Parkway Plan was adopted by Sacramento County as an element of its General Plan, while the City of Sacramento references the Parkway Plan in its General Plan. The Sacramento County Zoning Code, which reflects the Parkway Plan, designates the area as “O (PC),” for Recreation and Parkway Corridor Combining Zone, with some areas also denoted “F,” for Flood Combining Zone.

The LAR is surrounded on both sides by urban development, primarily of a residential character. To connect these urban areas, the LAR is crossed by two freeways, nine local thoroughfares, two train bridges and five pedestrian/bicycle bridges.

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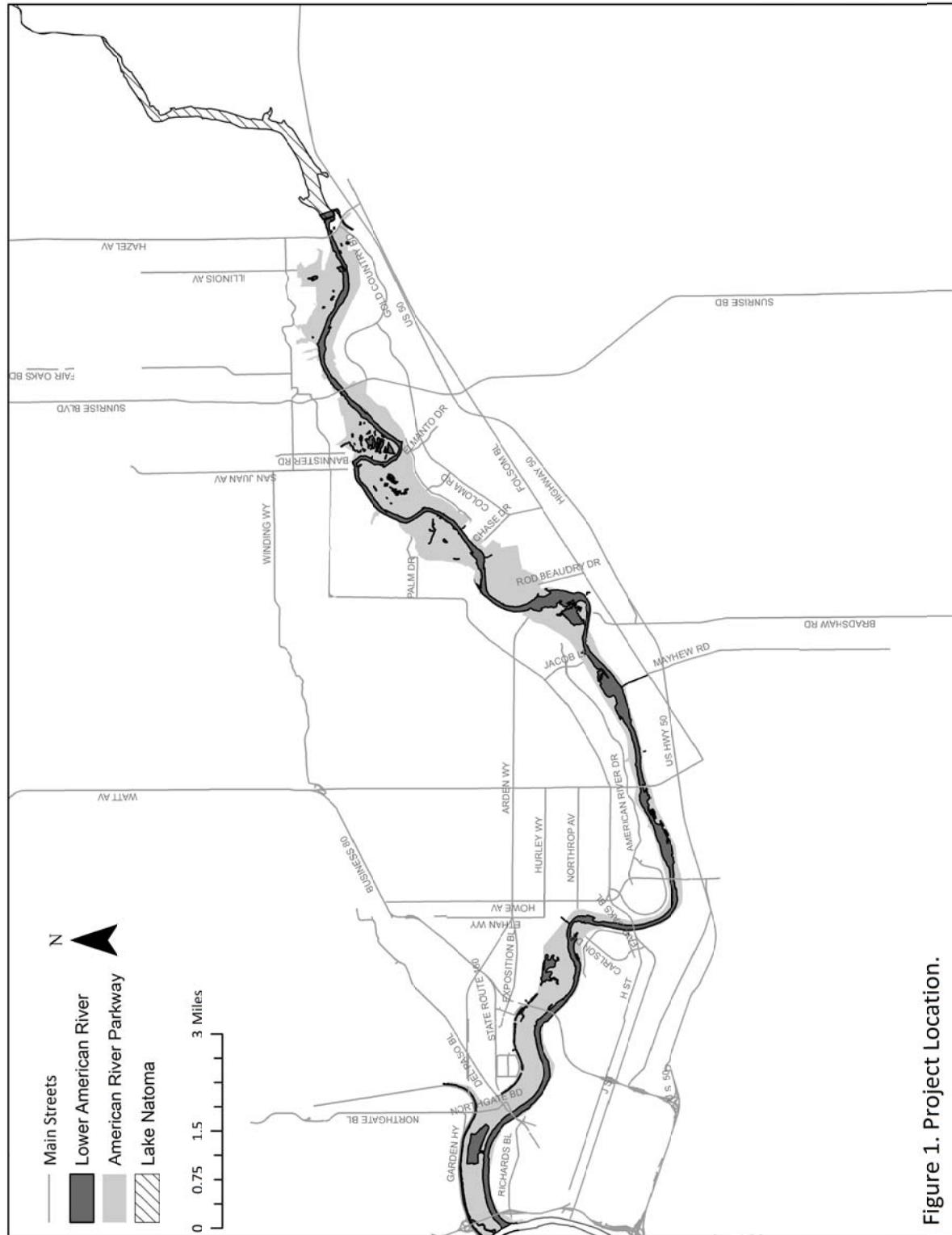


Figure 1. Project Location.

PROBABLE ENVIRONMENTAL EFFECTS/EIR FOCUS

Implementation of the proposed FMS Update could affect storage in Folsom Reservoir and flow regimes in the LAR, as well as Central Valley Project/State Water Project (CVP/SWP) system operations and water deliveries to communities served by diversions from the LAR. For this reason, the FMS EIR will evaluate potential environmental effects related to its implementation on three separate study areas: direct, indirect, and water service. As shown in Figure 2, the direct effects study area consists of those areas along the LAR that would be directly affected by changes in the pattern of water releases from Folsom and Nimbus Dams. It consists of Folsom Reservoir, Lake Natoma, and the in-stream and riparian areas of the LAR. As shown in Figure 3, the indirect effects study area is the broader geographic area that encompasses the surface water resources and facilities outside of the Lower American River that may be affected by the FMS. This area includes the CVP/SWP systems both upstream of the confluence of the Sacramento and American rivers (exclusive of the direct effect study area), along with associated reservoirs and rivers, and downstream of the confluence, into and including the Sacramento-San Joaquin Delta. The water service study area consists of the communities directly served by diversions from the American River; these communities are within the three counties shown in Figure 4.

As noted above, in 2000 the originally adopted Agreement included a strategy for flow and temperature management within the LAR. An evaluation of the strategy's environmental effects was included in a program EIR that was certified prior to adoption of the Agreement. The proposed FMS Update would be a "later activity" under Section 15168 of the CEQA Guidelines, which states that later "activities in the program must be examined in the light of the program EIR." Further, per Section 15168(d), a program EIR can be used to simplify the task of preparing environmental documents on later parts of the program by focusing on new effects that had not been previously considered.

Issue areas of primary focus, which led to the determination that an EIR would be required for the proposed FMS Update, are those associated with fisheries and aquatic resources (including but not limited to federal and/or state listed species), water supply and reliability, power production and energy consumption, flood control, water-oriented recreation, water quality, climate change, and biological resources of riparian areas. The environmental analyses conducted for the EIR will focus upon the potential impacts associated with these issue areas.

Issues related to aesthetics, agricultural and forestry resources, air quality, cultural resources, geology and soils (with the exception of groundwater), hazards and hazardous materials, land use and planning, mineral resources, noise, population and housing, public services, transportation, and utilities and service systems (with the exception of water supply-related issues) would not require updating as part of the EIR analysis because the proposed FMS Update would not result in physical environmental impacts related to these issue areas or, if environmental effects would occur, the impacts were previously evaluated as part of the original Agreement's program EIR.

In accordance with CEQA, alternatives to the FMS Update will be developed and analyzed to determine their feasibility and ability to reduce significant impacts associated with the project and to meet the project objectives.

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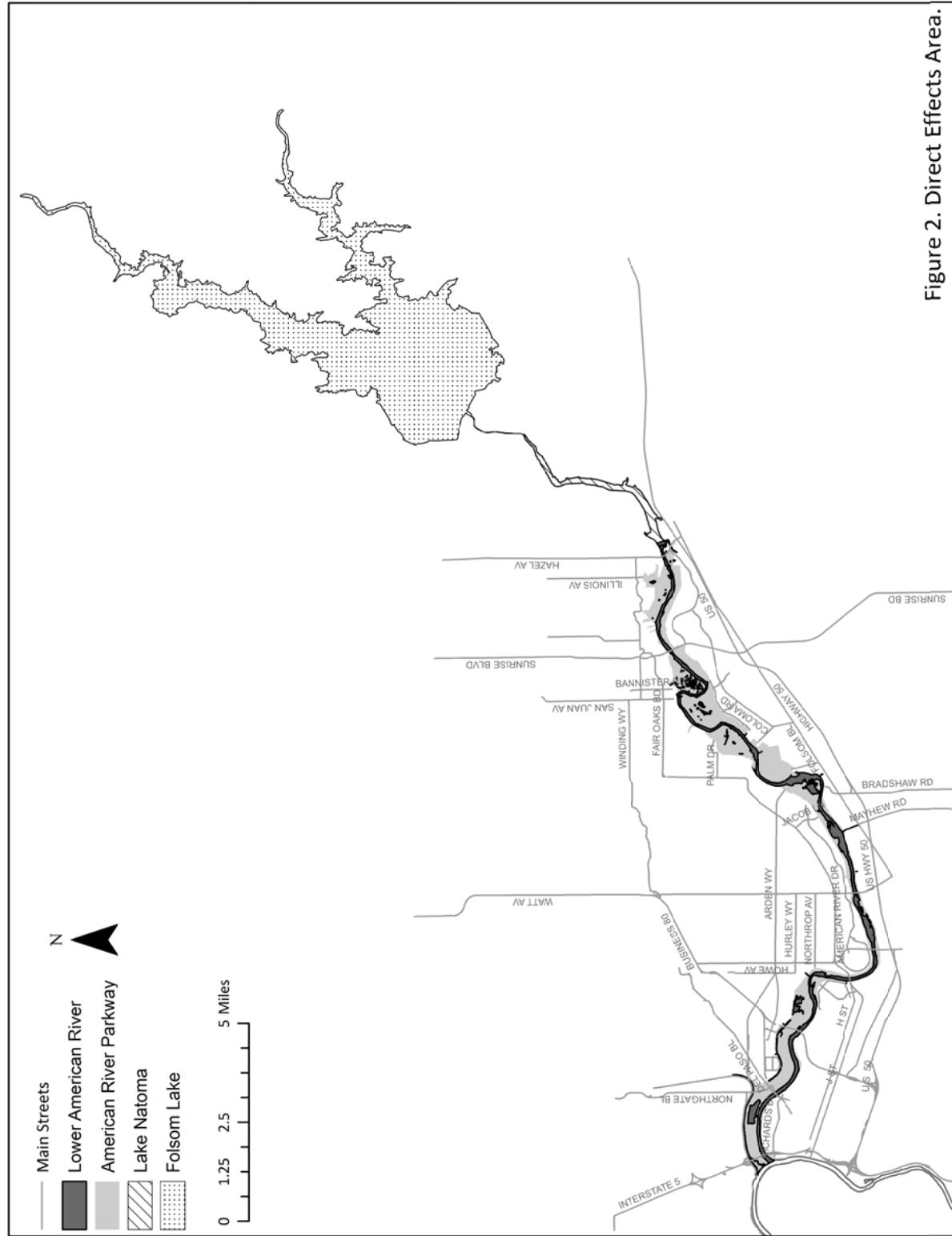
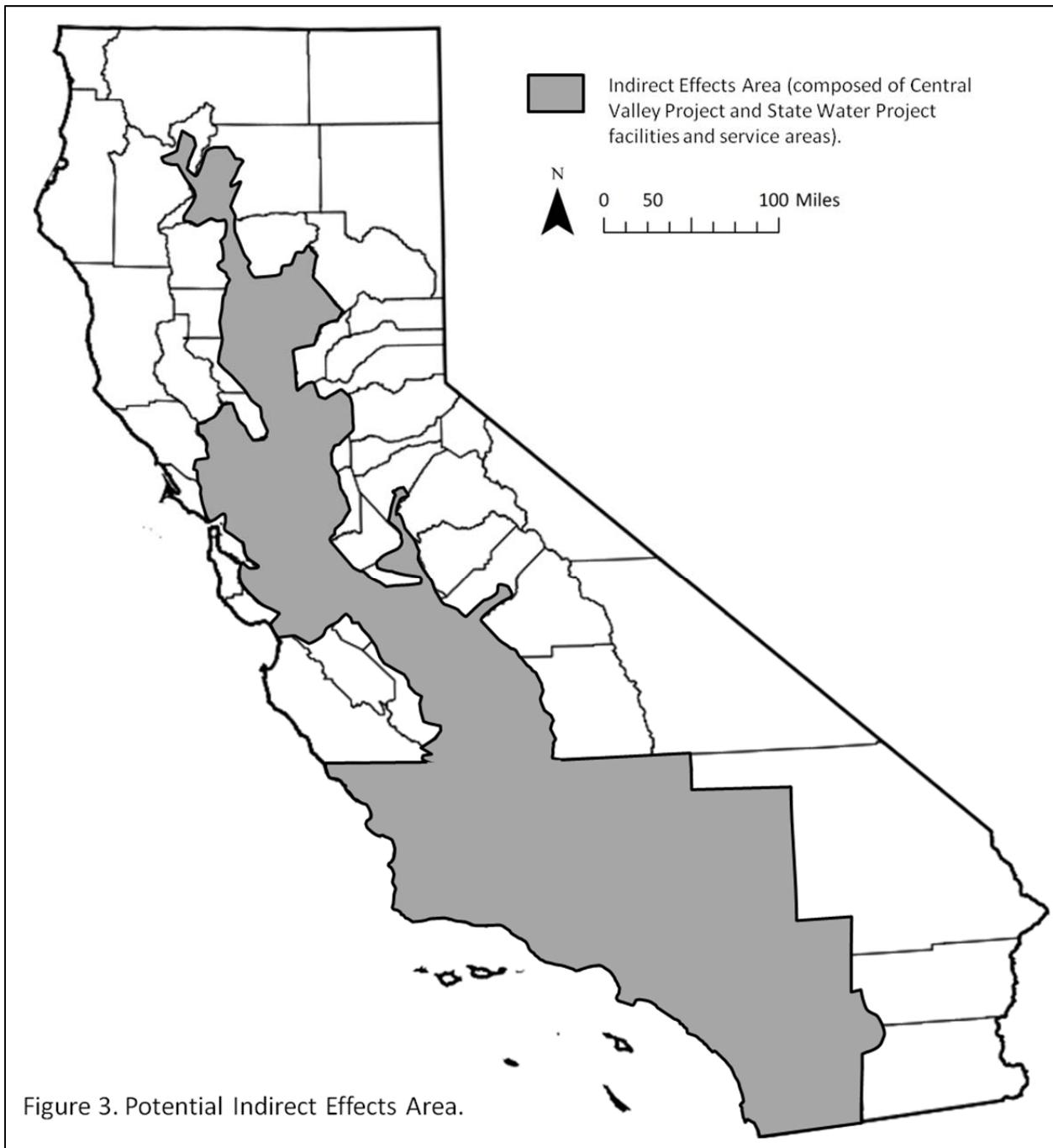


Figure 2. Direct Effects Area.

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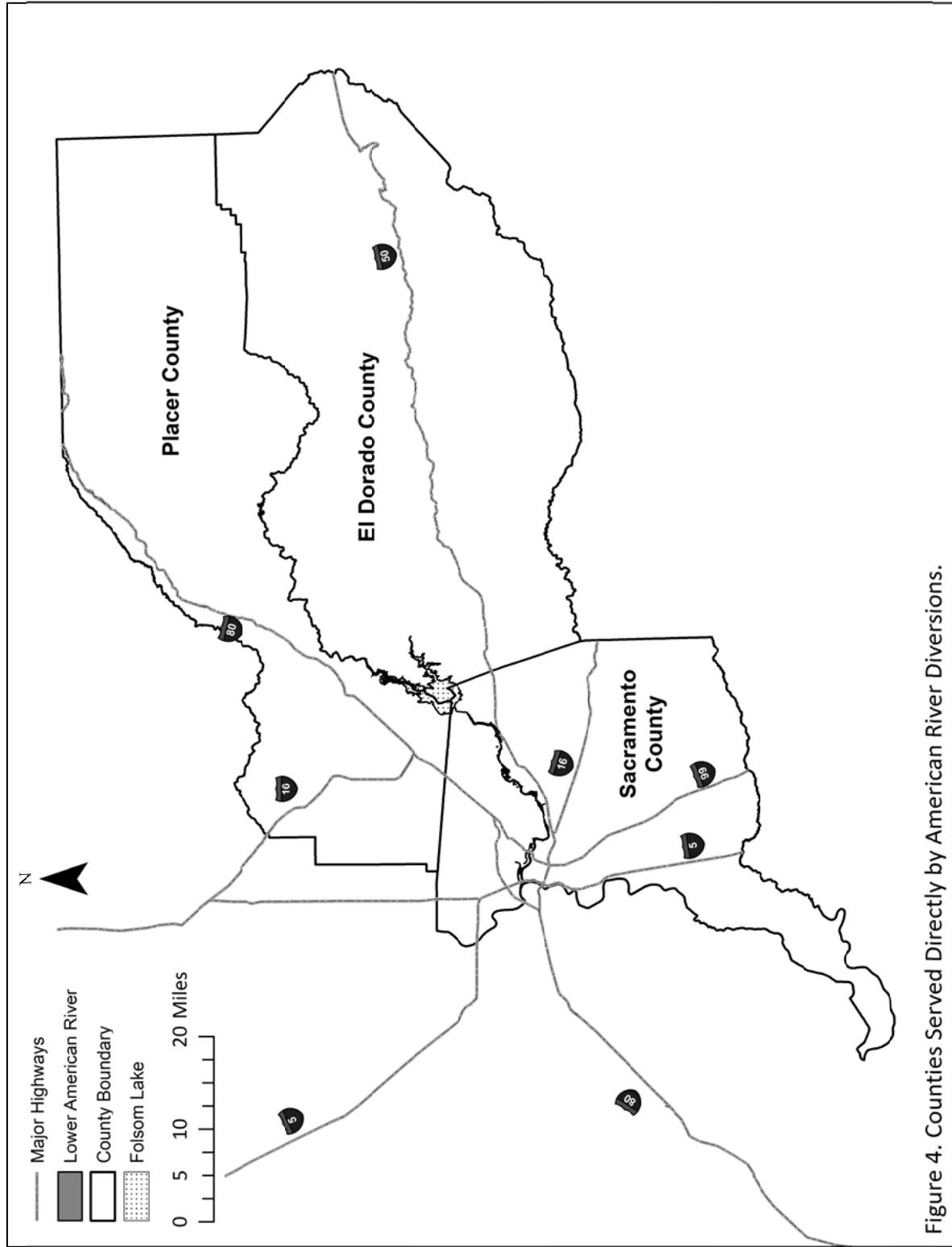


Figure 4. Counties Served Directly by American River Diversions.

INTENDED USES OF THE EIR

The Sacramento County Board of Supervisors and the Sacramento City Council will consider the information contained in the EIR prior to taking action on an amendment to the Agreement to include the proposed LAR FMS Update. The EIR will also provide information for other Water Forum agencies that must approve the Agreement amendment, and agencies that may have permitting authority or other interests in the FMS or LAR. Responsible agencies under CEQA may include, but are not limited to:

- SWRCB
- Public agencies that are members of the Water Forum (including Carmichael Water District, Citrus Heights Water District, Clay Water District, Del Paso Manor Water District, El Dorado County Water Agency, El Dorado Irrigation District, Fair Oaks Water District, City of Folsom, Galt Irrigation District, Georgetown Divide Public Utility District, Omochumne-Hartnell Water District, Orange Vale Water Company, Placer County Water Agency, Rancho Murieta Community Service District, Regional Water Authority, Rio Linda/Elverta Community Water District, City of Roseville, Sacramento Municipal Utility District, Sacramento Suburban Water District, and San Juan Water District).

Trustee agencies under CEQA with jurisdiction over the fisheries or other resources in the LAR include:

- CDFW
- California State Parks
- California State Lands Commission

Federal agencies with jurisdiction over resources potentially affected by the FMS include:

- Reclamation
- NMFS
- USFWS

PROCESS FOR ENVIRONMENTAL REVIEW

The views of your agency, relative to the statutory responsibilities of your agency in connection with the proposed project, are being solicited in an effort to determine the scope and content of the environmental document. Pursuant to the CEQA Guidelines Section 15206, this is considered a project of “statewide, regional or area wide significance” and a scoping meeting is required. The public scoping meeting will be held on June 3, 2013, starting at 2:00 p.m. at the following location:

Clunie Community Center, Alhambra Room
601 Alhambra Boulevard
Sacramento, CA 95816

Following receipt of all written and verbal comments, including those given at the public scoping meeting identified above, the County of Sacramento and the City of Sacramento, through the Water Forum, will begin preparation of a Draft EIR, which will evaluate the issue areas identified above. The Draft EIR will be circulated for a 45-day, public review period, during which time additional public comment on the substantive environmental review of the proposed project is encouraged.