

CWSRF ENVIRONMENTAL SUMMARY CHECKLIST

Applicant Name:	Monterey Regional Water Pollution Control Agency
Project Title:	Pure Water Monterey Groundwater Replenishment Project (Project)
Project Number:	C-06-8028-110

I. Environmental Attachments

Required Attachments	NOE	ND	MND	EIR
E1- EVALUATION FORM FOR ENVIRONMENTAL REVIEW AND FEDERAL COORDINATION AND SUPPORTING ATTACHMENTS E1.1 TO E1.13				X
E2- DRAFT AND FINAL INITIAL STUDY/NEGATIVE DECLARATION (IS/ND)				
E3- DRAFT AND FINAL INITIAL STUDY/MITIGATED NEGATIVE DECLARATION (IS/MND)				
E4- DRAFT AND FINAL ENVIRONMENTAL IMPACT REPORT (EIR)				X
E5- COMMENTS AND RESPONSES				X
E6- STATEMENT OF OVERRIDING CONSIDERATION (If Applicable)				X
E7- MITIGATION MONITORING AND REPORTING PLAN/PROGRAM (MMRP)				X
E8- RESOLUTION APPROVING THE CEQA DOCUMENTS				X
E9- NOTICE OF EXEMPTION				
E10- NOTICE OF DETERMINATION				X

II. California Environmental Quality Act (CEQA) Documents

Lead Agency: Monterey Regional Water Pollution Control Agency (Agency)

Is the applicant the Lead Agency? YES NO

Type of CEQA documents:

Environmental Impact Report (EIR)

• Statements of Overriding Consideration (SOC): YES NO

The Final EIR concluded that the Project as analyzed in the EIR (i.e., the Proposed Project) and as approved on October 8, 2015 by the Agency would result in significant unavoidable adverse environmental effects related to construction noise. However, the components of the Project that would result in significant unavoidable environmental effects are not part of the Project. The Agency is not pursuing CWSRF financing for implementation of Tembladero Slough Diversion and Monterey Pipeline (or Alternative Monterey Pipeline) components.

Specifically, a noise study report evaluated the potential noise and vibration impacts from Project implementation and concluded that noise impacts resulting from the construction of Monterey Pipeline, Alternative Monterey Pipeline (the alternative approved for this project component), and Tembladero Slough Diversion would result in the following significant unavoidable impacts:

1. Construction Noise – Noise from drill rigs, pipeline construction and night-time construction of Project components will exceed applicable regulatory criteria established by the County of Monterey, City of Salinas, City of Marina, City of Seaside, and City of Monterey.
2. Construction Noise from Equipment that Exceeds or Violates Local Standards – Noise from internal combustion engines and impact tools will result in conditions that exceed or violate local noise standards.

Even so, the construction noise impacts of these components that may be built with other funding/financing sources are an acceptable consequence of the Project because of the benefits it will provide; because all feasible mitigation will be implemented to reduce the Project's contribution to these impacts; and because no further feasible mitigation measures or alternatives have been identified to reduce the Project's (as approved by the Agency) significant unavoidable construction noise impacts.

The following economic, social, technological, and environmental benefits of the Project outweigh the significant unavoidable adverse impacts:

- a. The Project would replace 3,500 AFY of unauthorized Carmel River diversions for municipal use with additional groundwater pumping enabled by recharge of purified recycled water;
- b. The Project would provide up to 4,500 – 4,750 AFY and up to 5,900 AFY in drought years of additional recycled water to Salinas Valley growers for crop irrigation;
- c. The Salinas Valley Groundwater Basin is in overdraft and the Project would reduce the volume of water pumped from Salinas Valley aquifers;
- d. The Project would increase water supply reliability and drought resistance;
- e. The Project would maximize the use of recycled water in compliance with the state Recycled Water Policy;
- f. The Project would reduce pollutant loads from agricultural areas to sensitive environmental areas including the Salinas River and Monterey Bay.

Although the Agency approved all components of the Proposed Project, except approved the "Alternative Monterey Pipeline" and not the Monterey Pipeline nor the Transfer Pipeline, the application for the CWSRF financing includes the approved Project but does not include the following components of the approved Project:

- Tembladero Slough Source Water Diversion
- Lake El Estero Source Water Diversion
- Alternative Monterey Project (a component to be built by CalAm)

The Project components subject to State Water Board funding would not include components resulting in significant unavoidable adverse impacts.

State Clearinghouse Number(SCH): 2013051094

CEQA review date(s): On May 30, 2013, the Agency issued a Notice of Preparation (NOP) for a 30-day review period until July 2, 2013, to announce the preparation of the Draft EIR. A supplement to the NOP was prepared and circulated from December 9, 2014 through January 8, 2015 to reflect updates to the Project that had occurred since the original NOP was issued. An EIR was available for review at the SCH from April 22, 2015 to June 5, 2015.

Comments and responses received? YES NO

A total of 29 comments letters were received from local, state and federal agencies and individuals.

Summary of comments included following topics:

1. Adequacy of the Draft EIR
2. Substantial Evidence
3. Availability, Reliability, and Yield of Source Water Supplies
4. Reduction of Surface Water Flows
5. Fisheries Impact Analyses

6. Nutrients in Recycled Water and Ocean Outfall Discharges
7. Well Development/Construction Water Use and Discharge
8. Well Maintenance and Back-flushing Water Amounts and Discharge
9. Fort Ord Environmental Issues at the Injection Well Facilities
10. Marina Coast Water District and City of Marina Water Supply Issues
11. Proposed Project's Relationship to the Proposed Monterey Peninsula Water Supply Project
12. Adequacy of Scope and Range of Alternatives

The Agency provided appropriate responses to all comments and updated the EIR as needed.

CEQA document(s) certification/adoption and Project approval date(s): On October 8, 2015, the Agency held a public meeting and certified the Final EIR, adopted CEQA Findings, a SOC and a Mitigation Monitoring and Reporting Program (MMRP), and approved the Project (Resolution 2015-24).

Notice of Determination (NOD) filed with Governor's Office of Planning and Research (OPR), State Clearinghouse (SCH) and the County Clerk? An NOD was filed with the Monterey County Clerk on October 8, 2015, and the OPR on October 9, 2015.

Project description consistent with the Project Report? YES NO

Project alternative analysis, list and explain: The EIR Alternatives Analysis describes the alternatives to the Proposed Project, compares the impacts of the alternatives to the impacts of the Proposed Project, and also evaluates the alternatives' ability to accomplish the project objectives. In addition to evaluating the Proposed Project and the No Project Alternative, the Agency's alternatives analysis included the following:

- Reduced Seaside Basin Replenishment Alternative
- Alternatives to Source Water Diversion and Use (8)
- Alternatives for Product Water Conveyance (2)
- Alternatives to CalAm Distribution System Pipelines (2)

The Alternatives Analysis provided a comparative environmental analysis of the No Project Alternative to the Proposed Project and also analyzed the following combinations of component alternatives that were found to reduce environmental impacts while still meeting most of the project objectives:

- A. Reduced Seaside Basin (3,000 AFY)
- B. Reduced Source Water Alternative No. 2 with Alternative Monterey Pipeline
- C. Reduced Source Water Alternative No. 7 with Alternative Monterey Pipeline

The Agency selected the Proposed Project, modified by the Alternative Monterey Pipeline (not included in the State Revolving fund application because CalAm will construct and operate, as discussed above), because it will replenish the Seaside Groundwater Basin with 3,500 acre feet per year (AFY) of purified recycled water to replace a portion of California-American Water Company's (CalAm) water supply from the Carmel River. This would facilitate CalAm's ability to comply with the 2009 Cease and Desist Order (CDO) and the Seaside Groundwater Basin Adjudication. The CDO requires CalAm to secure replacement water supplies and cease over-pumping of the Carmel River. Representatives of the local agencies received a CDO extension from the State Water Board in 2016 partially based on the region's commitments to implement the Project. While the Project is an independent project, the Project's implementation may reduce the size of CalAm's proposed desalination plant currently being evaluated by the CPUC. A summary of the primary objectives for the Project include:

- Be capable of commencing operation, or of being substantially complete, no later than necessary to meet CalAm's replacement water needs;
- Be cost-effective such that the project would be capable of supplying reasonably-priced water; and
- Be capable of complying with applicable water quality regulations intended to protect public health.

Secondary objectives of the Proposed Project include the following:

- Provide additional water to the Regional Treatment Plant that could be used for crop irrigation through the Salinas Valley Reclamation Plant and Castroville Seawater Intrusion Project system;
- Develop a drought reserve to allow the increased use of Proposed Project source waters as crop irrigation within the area served by the Castroville Seawater Intrusion Project during dry years;
- Assist in preventing seawater intrusion in the Seaside Groundwater Basin; and
- Assist in diversifying Monterey County's water supply portfolio.

Alternative water supplies were considered but the projects were eliminated because they would not meet the basic objectives, were not capable of being accomplished within the timeframe stated, were considered infeasible or rejected by voters, or would likely result in greater environmental impacts than would occur under the Project.

The Draft EIR considered eight (8) different Reduced Source Water Alternatives and two product pipeline locations. Although the No Project Alternative would eliminate all the identified significant impacts, it would not attain any of the Project objectives. All of the impacts of the Project can be reduced to less-than-significant levels with mitigation except for significant and unavoidable noise impacts associated with construction of the Tembladero Slough Diversion and nighttime construction of the CalAm Distribution System: Monterey Pipeline. The Reduced Source Water Alternative No.2 (No Tembladero Slough) would eliminate the significant and unavoidable noise impact associated with construction at that site. The Alternative Monterey Pipeline would not necessarily eliminate the significant and unavoidable noise impact from nighttime construction of the Monterey Pipeline; however, that alternative would eliminate the need for the Transfer Pipeline, which would eliminate all impacts associated with construction of the Transfer Pipeline. Accordingly, other than the No Project Alternative, the Environmentally Superior Alternative would be the Reduced Source Water (No Tembladero Slough) Alternative combined with the Alternative Monterey Pipeline. The Project, as approved on October 8, 2015, was the Proposed Project in the EIR modified by use of the Alternative Monterey Pipeline in lieu of the Monterey and Transfer Pipelines as described in Chapter 2 and evaluated in Chapters 4 and 6 in Volume I of the EIR.

For a detailed evaluation of the various Project alternatives, see chapter 6 of the EIR or Volume I of the Consolidated Final EIR.

III. Project Review/Approval Processes

Environmental review process selected? CEQA Plus CEQA

Project approval? State Water Board Division Deputy Director

Non-routine and/or Controversial? YES NO

A concern regarding water rights was an area of controversy for the Project, and related to beneficial uses and critical fisheries habitat. The Agency has resolved these issues through the Division of Water Rights and ESA Section 7 consultation. Therefore, the Project is not controversial.

IV. Federal Cross-cutting Environmental Compliance

Federal consultations necessary, explain: The State Water Board staff evaluated the potential Project impacts consistent with the CWSRF Federal cross-cutter environmental regulations, and has determined that consultation with relevant federal agencies is necessary. The United States Environmental Protection Agency (USEPA) has taken the federal lead to consult with the United States Fish and Wildlife Service (USFWS), and the National Oceanic and Atmospheric Administration, National Marine Fisheries Service (NMFS) and State Water Board has taken the federal lead to consult with the Office of Historic Preservation (OHP)

Public participation adequate: YES NO

On June 18, 2013 a public scoping meeting was held in the City of Seaside regarding the scope and content of the EIR. Public notices were placed in local newspapers to inform the general public of the meeting. On April 21, 2015, the Notice of Availability (NOA) of a Draft EIR and Notice of Completion (NOC) were sent to the SCH. On April 22, 2015, the Agency posted the NOA at several locations, and the NOA was published in two newspapers on April 23, 2015. A hard copy of the Draft EIR was made available at the Agency office and several local libraries, and was also available online at the GWR Project website. On May 20, 2015 and May 21, 2015, public meetings were held in the City of Seaside, and the City of Salinas respectively and translation in Spanish was available. On October 8, 2015, the EIR was certified at a public meeting, the MMRP and SOC were adopted and the Project was approved.

Categorical exclusion used? YES NO

Environmental document more than five years old? YES NO

Clean Air Act: The Project site is located in Monterey County (County), which is within the North Central Coast Air Basin (Basin) and under the jurisdiction of the Monterey Bay Unified Air Pollution Control District (MBUAPCD). The County is federally designated as unclassified for particulate matter with a diameter of less than 10 micrometers (PM₁₀), and is in attainment or unclassified for all other federal criteria pollutants based on 2015 data.

The 2013 Estimated Annual Average Emissions (air emission inventory) for the Basin, in tons per day, are: 325.2 total organic gases (TOG), 48.1 of reactive organic gases (ROG), 194.9 of carbon monoxide (CO), 54.5 of oxides of nitrogen (NO_x), 1.2 of oxides of sulfur (SO_x), 82.7 of particulate matter (PM, all combined particulate matter), 43.3 of PM₁₀, and 11.2 of PM_{2.5}.

The estimated Project construction air emissions, in tons per year (ton/year), are: 0 of Ozone (O₃) and CO, 33.01 of NO_x, 3.79 of ROG, 3.79 of Volatile Organic Compounds (VOC), 0 of Lead (Pb), 1.79 of PM_{2.5}, and 1.89 of PM₁₀, and 0 of Sulfur Dioxide (SO₂).

The estimated Project operation air emissions (ton/year) are: 0 of O₃, 0.40 for CO, 0.02 of NO_x, 0.02 of ROG, 0.02 of VOC, 0 of Pb, 0.01 of PM_{2.5}, and 0 of PM₁₀, and 0 of Sulfur Dioxide (SO₂).

The estimated Project construction air emissions are less than the air emissions inventory for the Basin and the County, less than the MBUAPCD thresholds of significance, and below federal *de minimis* levels. The Agency will implement the MBUAPCD Rules to reduce those estimated construction and operation air emissions and ensure no air quality impacts. Thus, the Project is not subject to a State Implementation Plan (SIP) and a conformity determination is not required.

Coastal Barriers Resources Act resources present? YES NO

The Project will not affect or be located within or near the Coastal Barrier Resources System or its adjacent wetlands, marshes, estuaries, inlets, and near-shore waters as there are no designated Coastal Barrier Resource Systems in California.

Coastal Zone Management Act compliance required? YES NO

The Project is not within the coastal zone. Components of the originally proposed Project were located within the Coastal Zone; however, these components are not part of the Project.

Endangered Species Act compliance required? YES NO

The Project is within Monterey County California and traverses the Monterey Peninsula from the City of Salinas to the City of Seaside. The Project location spans from approximately 1.3 miles east of the Pacific Ocean to eight miles inland. The Agency reviewed the California Natural Diversity Database (CNDDB 2015), the USFWS Database, and the California Native Plant Society database (CNPS 2015). In addition, the USFWS's Information for Planning and Conservation (IPaC) site was searched for federally listed species as proposed, candidate, threatened and/or endangered species and their designated critical habitat with potential to occur on the Project site (USFWS 2015). The Project required formal consultation with the USFWS and informal consultation with the NMFS. On November 19, 2015, Joel Casagrande of NMFS confirmed by email that only the NMFS regulated species potentially affected by the Project is the South Central California Coast (SCCC) steelhead Distinct Population Segment (DPS). Gabilan Creek (Reclamation Ditch/Tembladero Slough) and the Salinas River are designated critical habitat for the SCCC steelhead DPS.

On May 13, 2016, the USEPA sent a letter to the USFWS requesting formal consultation that the Project **may affect and is likely to adversely affect** the federally threatened Monterey spineflower (*Chorizanthe pungens* var. *pungens*), federally and state threatened California red legged frog (CRLF; *Rana draytonii*) and the federally endangered Monterey gilia (*Gilia tenuiflora* ssp. *arenaria*). On June 23, 2016 and August 16, 2016, the USFWS received results of botanical surveys conducted at the Injection Well Facilities site indicating that adverse effects to Monterey gilia are likely.

On December 20, 2016, the USFWS issued a Biological Opinion (BO). The BO identifies best management practices that shall be implemented during all identified phases of construction including but not limited to: an Employee Education Program, protective fencing of trees and vegetation, restoration of disturbed areas, erosion control techniques, on-site spill plan and containment measures, and refueling or maintenance of vehicles within a specified staging area.

The BO concludes that the Project action, as proposed, is not likely to jeopardize the continued existence of the California red-legged frog, the Monterey spineflower, or the Monterey gilia. However, there is potential for incidental take of the California red-legged frog. The incidental take statement in the BO specifies that if three (3) California red-legged frogs are found dead or wounded, or if ten (10) are captured and relocated, EPA must make immediate contact with the USFWS office to reinstate formal consultation. The BO provides direction in reasonable and prudent measures including terms and conditions to minimize the impacts of the incidental take of the California red-legged frog. Reporting requirements, conservation recommendations and instruction on reinstating consultation are also included in the BO. The incidental take statement does not apply to listed plant species; however, limited protection of listed plants is provided. The BO assumes that Monterey spineflower and Monterey gilia occurrences within designated development parcels at the Fort Ord base would be lost, and determined that such loss would not jeopardize either species.

Additionally, the BO noted that due to modifications of the Project scope there would be no effect on of the endangered tidewater goby (*Eucyclogobius newberryi*) and its critical habitat.

On November 18, 2016, the USEPA sent a letter to the NMFS requesting concurrence that the Project **may affect but is not likely to adversely affect** the South-Central California Coast Steelhead Distinct Population Segment (S-CCC; *Oncorhynchus mykiss*) or its designated critical habitat in the Reclamation Ditch and the Salinas River watersheds. The NMFS determined that the Project is likely to result in localized impacts to surface waters from the operations of the diversions, water quality impacts from construction of the diversion facilities, regional groundwater recharge, and water quality improvements within downstream waters as well as permanent impacts to the bed and banks of the Reclamation Ditch.

On December 5, 2016, the NMFS concurred with the USEPA that the Project **may affect but not likely to affect** S-CCC steelhead or its designated critical habitat.

Environmental Justice, Executive Order No. 12898? YES NO

There is no disproportionately high and adverse human health or environmental effects on minority populations and low-income populations that would occur from the proposed activities. The Project provides additional water and recycled water that would be available to a wide range of the population with no disproportionate impacts on one population. Human health potential for adverse impacts has been fully evaluated in the Draft and Final EIR and technical appendices and found to have no adverse health impact.

Farmland Protection Policy Act land impacted? YES NO

The Project would involve temporary impacts to prime farmland as mapped by the California Department of Conservation during construction of pipelines, but would not convert important farmlands to other uses. Therefore, the Project would not result in conversion of important farmland to a non-agricultural use.

Flood Plain Management compliance required? YES NO

A portion of the project is located within a 100-year floodplain as depicted on a floodplain map or otherwise designated by the Federal Emergency Management Agency. However, the Project would not place habitable structures in a 100-year flood zone, create above-ground structures that could impede or redirect flood flows, or expose new structures or people to significant risks of loss, injury or death related to inundation by floods. Therefore, the Project would not adversely affect flood risks associated with the siting of facilities within a 100-year flood hazard area and no measures or design modifications would be required.

National Historic Preservation Act determination: On March 3, 2016, the State Water Board sent a letter to the OHP with a determination of "No Historic Properties Affected" by the Project. On April 19, 2016, the OHP responded concurring with the State Water Board's determination for the Project.

Magnuson-Stevens Fishery Conservation and Management Act (MSA)? YES NO

On November 18, 2016, the USEPA sent a letter to the NMFS providing notification of USEPA's determination that the Project **will not adversely affect** Essential Fish Habitat (EFH) under MSA for starry flounder (*Platichthys stellatus*). On December 5, 2016, the NMFS responded concurring with the USEPA that the Project would not adversely affect EFH, and instead would result in reduced discharge of pollutants to EFH.

Migratory Birds Treaty Act (MBTA)? YES NO

The EIR identifies potential impacts to migratory birds and proposes mitigation measures for their protection. Mitigation Measure BT-1k would require pre-construction surveys and additional measures to be conducted by a qualified biologist for Protected Avian Species. These mitigation measures would mitigate potential impacts to migratory birds and reduce impacts to less than significant.

Protection of Wetlands? YES NO

The Project may result in construction impacts to sensitive habitats including wetlands. Mitigation measures for temporary impacts include avoidance of light and glare, placement of construction fencing around riparian and wetland habitats, and preventing construction materials including water from being transported into waters of the state. Permanently impacted riparian and wetland habitat shall be mitigated at no less than a 2:1 replacement-to-loss ratio through restoration and/or preservation and shall be approved by the relevant permitting agencies (USACOE, RWQCB, CDFW). A Habitat Mitigation and Monitoring Plan (HMMP) shall include a riparian and wetland habitat restoration plan. No direct impacts to wetlands are anticipated. Potential impacts to waters of the U.S. that may result in indirect impacts to wetlands have been mitigated to less than significant levels.

Safe Drinking Water Act, Sole Source Aquifer present? YES NO

The Project is not within the boundaries of a sole source aquifer.

Wild and Scenic Rivers Act listed river present? YES NO

There are no Wild or Scenic Rivers present in the Project area.

V. Impacts and Mitigations

List all impacts and mitigations under State Water Board authority for CWSRF Program:

Mitigation Measures AQ-1 for air quality; BF-1a to BF-1c and BF-2a for special status aquatic biological species and their critical habitat; BT-1a to BT-1q and BT-2a, BT-2c, and BT-4 for special status terrestrial biological species and their critical habitat; CR-1 and CR-2a to CR-2c for cultural resources; HH-2a to HH-2c for hazardous materials; HS-4: Management of Surface Water Diversion Operations (hydrology water quality); LU-1 and LU-2 for Farmland Protection Policy Act and forestry resources; HS-C for cumulative impacts to marine water quality; and MR-C for Cumulative impacts to marine biological resources.

List all impacts and mitigations not under State Water Board authority for CWSRF Program:

Mitigation Measures AE-2 to AE-4 for aesthetics; EN-1 for energy use; NV-1a to NV-1c and NV-2a and NV-2b for construction noise; PS-3: construction waste; and TR-2 to TR-4 for: traffic and safety.

Cumulative Impacts? YES NO

The Project would potentially make a considerable contribution to significant cumulative regional emissions of PM₁₀; however, with implementation of Mitigation Measure AQ-1, the impact would be reduced to less than significant and the Project would not make a considerable contribution to a significant cumulative impact.

The Project would potentially make a considerable contribution to significant cumulative impacts to marine water quality due to the potential exceedance of the California Ocean Plan water quality objectives for several constituents; however, with implementation of Mitigation Measure HS-C, the impact would be reduced to less than significant and the Project would not make a considerable contribution to a significant cumulative impact.

Unavoidable Significant Impacts? YES NO

The Final EIR concluded that the Project as analyzed in the EIR (i.e., the Proposed Project), and as approved on October 8, 2015 by the Agency, would result in significant unavoidable adverse impacts on the environment related to construction noise (see details on page 2 of this document). However, the components of the Agency-approved Project that would result in significant unavoidable impacts were not included in the State Revolving Fund application. Namely, MRWPCA chose not to pursue CWSRF financing for implementation of, the Tembladero Slough Diversion. In addition, the Monterey Pipeline (or Alternative Monterey Pipeline) for delivery of potable water to Monterey Peninsula customers is to be paid for and built by others (i.e., by California American Water Company, or CalAm, the local, private water purveyor), thus is also not included as a project component for State Revolving Fund financing (see page 13 of the Environmental Package dated November 2015). The EIR noise study report evaluated the potential noise and vibration impacts that could result from Project implementation. The impacts are an acceptable consequence of the Project because of the benefits it will provide, and no feasible mitigation measures or alternatives have been identified to reduce the Proposed Project's significant unavoidable impacts.

The Agency determined that the following economic, social, technological, and environmental benefits of the Project outweigh the significant unavoidable adverse impacts:

- a. The Project would replace 3,500 AFY of unauthorized Carmel River diversions for municipal use with additional groundwater pumping enabled by recharge of purified recycled water;
- b. The Project would provide up to 4,500 – 4,750 AFY and up to 5,900 AFY in drought years of

- additional recycled water to Salinas Valley growers for crop irrigation;
- c. The Salinas Valley Groundwater Basin is in overdraft and the Project would reduce the volume of water pumped from Salinas Valley aquifers;
- d. The Project would increase water supply reliability and drought resistance;
- e. The Project would maximize the use of recycled water in compliance with the state Recycled Water Policy;
- f. The Project would reduce pollutant loads from agricultural areas to sensitive environmental areas including the Salinas River and Monterey Bay.

However, the components of the Project that would result in significant unavoidable environmental effects related to construction noise are not part of the Project. The Agency chose not to pursue CWSRF financing for implementation of Tembladero Slough Diversion and Monterey Pipeline components; see page 13 of the Environmental Package dated November 2015).

Growth Inducing Impacts? YES NO

The primary objective of the Project is to replenish the Seaside Groundwater Basin with 3,500 AFY of high quality water. CalAm can then extract the same amount and also reduce its Carmel River system diversions by that same amount. The Project would not directly result in population or economic growth through development of new residential or commercial uses, and would not induce substantial population growth. Although the Project would provide a new source of drinking water, the water provided by the Project would replace other existing sources of municipal water supplies that must be curtailed. Implementation of the Project would provide replacement water for CalAm's withdrawals from the Carmel River system, but would not provide new water to serve growth. The provision of additional recycled water for crop irrigation to existing lands in agricultural production would not increase population nor cause economic growth that would facilitate other activities that would have significant environmental effects. Therefore, the Project would not directly or indirectly result in growth inducing impacts.

Environmental effects found not to be significant, list: Potential impacts found not to be significant and that do not require mitigation measures to reduce impacts include: geology and soils, mineral resources, population and housing, public services, recreation, and utilities and service systems.

VI. Draft CEQA Determination, Environmental Review Unit

1. The Agency is the lead agency under the CEQA. The Agency has prepared an EIR for the Project, which was circulated through the State Clearinghouse for review and comment.
2. Adequate public participation was provided through the CEQA process.
3. The Agency certified the EIR, and adopted a MMRP and a SOC and approved the Project on October 8, 2015.
4. The Agency filed NODs with the Monterey County Clerk on October 8, 2015 and the OPR on October 9, 2015.
5. Federally designated agencies have been given the opportunity to comment as required under the CWSRF Operating Agreement with the USEPA.
6. The Project will not significantly impact any listed or special-status species under the Endangered Species Act.
7. The Project conforms with the Clean Air Act.
8. On May 13, 2016, the USEPA sent a letter to the USFWS determining that the Project "may

affect and is likely to adversely affect" the federally threatened Monterey spineflower (*Chorizanthe pungens* var. *pungens*), federally and state threatened California red legged frog (CRLF; *Rana draytonii*) and the federally endangered Monterey gilia (*Gilia tenuiflora* ssp. *arenaria*). On June 23, 2016 and August 16, 2016, the USFWS received results of botanical surveys conducted at the Injection Well Facilities site indicating that adverse effects to Monterey gilia are likely. On December 20, 2016, the USFWS issued a BO for the Project.


9. On November 18, 2016, the USEPA sent a letter to the NMFS requesting concurrence that the Project "may affect but not likely to adversely affect" the South-Central California Coast Steelhead Distinct Population Segment (S-CCC; *Oncorhynchus mykiss*) or its designated critical habitat in the Reclamation Ditch and the Salinas River watersheds, and "will not adversely affect" EFH under MSA for starry flounder (*Platichthys stellatus*). On December 5, 2016, the NMFS responded concurring with the USEPA that the Project "would not adversely affect" EFH and "may affect but not likely to adversely affect" S-CCC steelhead or its designated critical habitat.
10. The State Water Board staff initiated consultation under Section 106 of the NHPA with the OHP on March 3, 2016. On April 19, 2016, the OHP concurred with the State Water Board's determination of "No Historic Properties Affected."
11. The Agency's environmental documents provided an adequate disclosure of the environmental relationships of all water quality aspects of the Project. Mitigation measures have been incorporated to the Project design features or implementation to reduce any potentially significant environmental impacts. The Project will not result in any significant adverse water quality impacts.

VII. Environmental Conditions

Are there special environmental conditions? YES NO

- A. In accordance with the adopted October 8, 2015 MMRP, the Agency shall comply with Mitigation Measures: AQ-1 for air quality and greenhouse gas emissions; BF-1a to BF-1c and BF-2a for special status aquatic biological species and their critical habitat; BT-1a to BT-1q and BT-2a, BT-2c, and BT-4 for special status terrestrial biological species and their critical habitat; CR-1 and CR-2a to CR-2c for cultural resources; HH-2a to HH-2c for hazardous materials; HS-4: Management of Surface Water Diversion Operations (hydrology water quality); LU-1 and LU-2 for Farmland Protection Policy Act and forestry resources; HS-C for cumulative impacts to marine water quality; and MR-C for cumulative impacts to marine biological resources.
- B. The letter dated April 19, 2016, from Julianne Polanco of the Office of Historic Preservation, Department of Parks and Recreation to Gary Scholze, Archaeologist at the Division of Financial Assistance of the State Water Board regarding Request for Concurrence on Section 106 Compliance and a Finding of No Historic Properties Affected for the Pure Water Monterey Groundwater Replenishment Project; Monterey County, California; Clean Water State Revolving Fund (CWSRF) Project No. C-06-8028-110.
- C. The letter dated December 5, 2016, from Barry A. Thom of the United States Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service to Douglas E. Eberhardt of the United States Environmental Protection Agency regarding Endangered Species Act Section 7(a)(2) Concurrence Letter and Magnuson-Stevens Fishery Conservation and Management Act Essential Fish Habitat Response for the Pure Water Monterey Groundwater Replenishment Project.

D. The Biological Opinion dated December 20, 2016, from Stephen P. Henry of the United States Department of the Interior, Fish and Wildlife Service to Douglas E. Eberhardt of the United States Environmental Protection Agency regarding formal consultation for Section 7 of the federal Endangered Species Act for the Pure Water Monterey Groundwater Replenishment Project, Monterey County, California (O8EVENOO-2016-TA-0643).


Susan L. Stewart, Environmental Reviewer

01/23/2017
Date


Ahmad Kashkoli, Senior Environmental Reviewer

1/23/2017
Date


Jody Hack, Project Manager

1-24-2017
Date

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**Monterey Regional Water Pollution Control Agency (Agency)
Pure Water Monterey Groundwater Replenishment Project (Project)
Clean Water State Revolving Fund (CWSRF) Number: C06-8028-110**

California Environmental Quality Act (CEQA) Determination

As the Deputy Director for the State Water Resources Control Board (State Water Board), Division of Financial Assistance, I have been delegated the authority to approve and execute the financing agreement for projects that are routine and non-controversial. The execution of the financing agreement is an action that is subject to CEQA. The authority to make this CEQA determination necessarily accompanies the delegation to approve and execute the financing agreement for this Project.

1. The Agency is the CEQA Lead Agency, and has prepared an Environmental Impact Report (EIR) for the Project which was circulated through the State Clearinghouse (No. 2013051094) for review and comments. The Agency certified the EIR, adopted a Mitigation Monitoring and Reporting Program (MMRP) and a Statement of Overriding Consideration for significant unavoidable environmental effects related to construction noise, and approved the Project on October 8, 2015. The Agency filed a Notice of Determination with the Monterey County Clerk on October 8, 2015 and the Governor's Office of Planning and Research on October 9, 2015.

However, the components of the Project that would result in significant unavoidable environmental effects related to construction noise are not part of the Project. The Agency is not pursuing CWSRF financing for implementation of Tembladero Slough Diversion and Monterey Pipeline (or Alternative Monterey Pipeline) components.

2. The State Water Board is a responsible agency under CEQA. A responsible agency complies with CEQA by considering the EIR prepared by the lead agency and by reaching its own conclusions on whether and how to approve the project involved. The State Water Board has independently considered the EIR and MMRP, and pursuant to my delegated authority, I make the following determinations regarding the Project:
 - The EIR identified potentially significant environmental effects of the Project related to, biological resources, hazards and hazardous materials, hydrology and water quality, and cumulative impacts to marine water quality and marine biological resources. Mitigation measures(s) BF-1a to BF-1c and BF-2a for special status aquatic biological species and their critical habitat; HH-2a to HH-2c for hazardous materials; HS-4: Management of Surface Water Diversion Operations (hydrology water quality); HS-C for cumulative impacts to marine water quality; and MR-C for cumulative impacts to marine biological resources have been incorporated into the Project to mitigate impacts from the above listed resources to a less than significant level. Because of mitigation measure(s) identified herein, the EIR and the MMRP the Project will not result in any significant adverse water quality impacts.
 - The EIR also identified potentially significant environmental effects of the Project related to aesthetics, air quality and greenhouse gas emissions, cultural resources, farmland protection and forestry resources, energy use, construction waste, noise and traffic and safety. The EIR and MMRP include mitigation measures for aesthetics, air quality and greenhouse gas emissions, cultural resources, farmland protection and forestry resources, energy use, construction waste, noise and traffic and safety that mitigate potential environmental impacts to less than significant levels for these impact categories. Changes or alterations to the Project based on these mitigation measures are within the responsibility and jurisdiction of other public agencies and are not within the jurisdiction of the State Water Board. Such changes either have been adopted by other relevant agencies or can and should be adopted by such other agencies.

A final copy of the EIR, MMRP, comments and responses and record of funding approval for the Project are available to the general public at the State Water Board, Division of Financial Assistance at 1001 I Street, 16th Floor, Sacramento CA 95814.



Leslie Laudon, Deputy Director
Division of Financial Assistance



Date

