SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT

For the

BIG BEAR LAKE DEPARTMENT OF WATER AND POWER WATER SYSTEM CAPITAL IMPROVEMENT PROGRAMS

I. Introduction

The City of Big Bear Lake Department of Water and Power (the DWP or Department) is a municipal water purveyor serving the Big Bear Lake/Moonridge, Sugarloaf/Erwin Lake, Fawnskin, Lake Williams, and Rim Forest areas within the jurisdiction of the City of Big Bear Lake and the County of San Bernardino. The Department is proposing to construct new and replacement water system facilities to serve the residents within its service area. It is the intent of this project to replace older water distribution facilities. The project will replace pipelines that have deteriorated due to age, poor installation, and extensive corrosion. Additionally the pipelines and new wells will increase water production to meet peak day demand requirements of existing development and future connections.

Grant funding is being sought from the U.S. Environmental Protection Agency (EPA) to partially pay for constructing the following facilities to meet this objective: water transmission/distribution system facilities that will serve the City of Big Bear Lake and the unincorporated communities of Fawnskin, Erwin Lake, Lake William, Sugarloaf, and Moonridge; and drilling and equipping groundwater production wells within the Big Bear Lake, Moonridge, and Fawnskin areas. These improvements are essential to provide clean and safe drinking water, meet current and projected water demands and to deliver adequate fire flow within the Department's service area. Additional funding is being sought from the U.S. Department of Agriculture (USDA). The funding from EPA and USDA is being jointly used to fund this project.

This Supplemental Environmental Assessment (SEA) adopts and supplements the *Initial Study/Environmental Assessment (IS/EA) for the Big Bear Department of Water and Power, Water System Capital Improvements Programs* finalized by the United States Department of Agriculture Rural Development (USDA) on May 5, 2010. The IS/EA evaluates the potential effects on the environment from constructing the proposed project and the Department's subsequent water system operations. The USDA has a programmatic agreement with the California State Historical Preservation Office (SHPO). This agreement allows the USDA to not consult with SHPO in regards to Section 106 of the National Historical Preservation Act. EPA does not have a programmatic agreement and has prepared this SEA to document EPA's consultations with SHPO related to this project. EPA received Section 106 concurrence with SHPO, and the mitigation measures include in this concurrence are the same as the mitigation measures in the USDA IS/EA.

II. Brief Description and History of the Project

The U.S. Congress provided funding to the Department of Water and Power for water system improvements in fiscal years 2008, 2009 and 2010. Additionally Big Bear Lake applied for

funding from the USDA. Federal funding actions for these projects are subject to the National Environmental Policy Act (NEPA) of 1970 and compliance with this law must occur prior to the award of Federal funds. USDA released the IS/EA and issued a final finding of no significant impact (FONSI).

The Big Bear Lake Department of Water and Power intends to drill a total of six wells within the Big Bear Lake, Moonridge, and Fawnskin areas. The drilling and development of each production well will take approximately 3 to 4 weeks. The area around the well sites will be disturbed to the least extent possible (typically 100' x 100') and, after the well installation is completed, the temporarily disturbed areas will be returned to present conditions. The wells will be drilled using the fluid reverse circulation rotary drilling method and will require at least two separate drilling passes. A submersible pump will be located inside the wells when completed. The wells will be enclosed in a 15-foot by 20-foot wood frame building designed and painted to blend with the surrounding buildings.

Additionally, the proposed project includes the installation of approximately 37,121 linear feet of water distribution pipeline. The proposed pipelines will range in size from 8 to 12-inches in diameter. The pipeline will be installed by opening a trench about 60-inches wide and up to 10-feet deep along the proposed alignments; installing the new water pipeline; and then closing the trench, including compacting the soil cover to meet compaction requirements needed to protect the pipeline. Construction equipment required for pipe installation would include, but not be limited to the following: two excavators, two loaders, one crane, one dozer, one air compressor, one welder, one water pump, one water truck, and one generator. The estimated number of construction personnel present at any given time is 12. The estimated length of pipeline to be installed each day is 300 feet per team. Two teams laying pipeline at the same time would install 600 feet per day, which equates to about 80 days of construction. At this time it is not clear whether all of the pipe would be installed in sequence (about 4 months), or whether pipeline installation would be spread out over a longer period.

The USDA received three comments to the IS/EA published on April 2010. The comments and responses are summarized below:

- 1) The State Office of Planning and Research, State Clearinghouse sent a letter that states the project complied with the review requirements pursuant to the California Environmental Quality Act.
 - Response: USDA acknowledged the letter from the State Office of Planning and Research.
- 2) The California Department of Public Health (CDPH) sent a letter stating it is responsible for issuing water supply permits. The CDPH will need to issue a new or amended water supply permit to the project. The CDPH will be a "responsible agency": pursuant to CEQA. The CDPH identified the six wells for the project. Additionally, the CDPH requests a copy of the City Council Resolution or Memo adopting the Mitigated Negative Declaration and approving the project.

Response: The Big Bear Lake Department of Water and Power will be complying and providing the necessary information to the CDPH.

3) The County of San Bernardino Department of Public Works and Flood Control District (DPW-FCD) sent a letter that has concerns that the project may affect the Grout Creek, Rathbone Creek, and Sand Canyon Creek. The DPW-FCD also noted that the recommendations in the IS/EA are general in natural and the DPW-FCD recommendations are site specific. The DPW-FCD also noted that permits need to be obtained for any activity on the DPW-FCD right of way. The DPW-FCD also mentions that other permits may be required and recommends the establishment of adequate provisions for intercepting and conducting accumulated drainage that does not adversely affect adjacent or downstream properties. The DPW-FCD recommends the most current FEMA regulations be enforced by the city.

Response: The proposed facilities will take place within existing roadways with the exception of the Grout Creek. The well site in the Grout Creek 100-year flood zone is on private property and will either be elevated above the 100-year flood hazard elevation or hardened so the well head is protected from flood hazards. The BBL will obtain other permits if needed and use the mitigation measures implemented for capturing and diverting runoff. Facilities located within the flood plain will meet the most current FEMA regulations.

By adopting the IS/EA as part of this SEA, EPA is also adopting the responses prepared by USDA to the comments received on the IS/EA.

2.1 PROPOSED ACTION SUMMARY

As previously described, this project consists of the construction and installation of a combination of new wells and conveyance facilities consisting of new and replacement transmission and distribution system pipelines. The Department intends to drill and/or equip a total of six wells within the Big Bear Lake, Moonridge, and Fawnskin areas. The proposed project also includes the installation of approximately 37,121 linear feet of pipeline throughout the Department's service area.

This SEA will not change or modify any of the mitigation measures identified in the IS/EA. These mitigation measures can be found on page 70 to 73 of the IS/EA. The mitigation measures established in the IS/EA for the proposed project are enforceable under EPA's FONSI for this project. By adopting the IS/EA as part of this SEA, the alternatives analysis, mitigation measures, and impact analysis included in the USDA IS/EA are also included in EPA's action.