

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX

75 Hawthorne Street San Francisco, CA 94105

December 11, 2008

Ms. Liz Holland Planning Division Sacramento District U.S. Army Corps of Engineers 1325 J Street Sacramento, California 95814-2922

Subject: Final Environmental Impact Statement (FEIS) for 408 Permission and

404 Permit to Sacramento Area Flood Control Agency for the Natomas

Levee Improvement Project (CEQ# 20080458)

The U.S. Environmental Protection Agency (EPA) has reviewed the above-referenced document pursuant to the National Environmental Policy Act (NEPA), Council on Environmental Quality (CEQ) regulations (40 CFR Parts 1500-1508), and our NEPA review authority under Section 309 of the Clean Air Act.

EPA reviewed the Draft Environmental Impact Statement (DEIS) and provided comments to the U.S. Army Corps of Engineers on August 4, 2008. We rated the DEIS as Environmental Concerns – Insufficient Information (EC-2) because of concerns regarding our inability to determine whether or not the preferred alternative represents the Least Environmentally Damaging Practicable Alternative (LEDPA). We also expressed concern with the residual flood risk to development in a floodplain protected by levees, and the indirect and cumulative environmental effects of planned development facilitated by this levee project.

We commend the 1:1 mitigation ratio to compensate for rice fields permanently lost due to conversion to grassland or levee slopes, and the preparation of a Clean Water Act 404(b)(1) Alternatives Analysis. We continue to have concerns with 371.48 acres of temporary effects and 36.75 acres of permanent effects on waters of the United States (US) for all phases of the Natomas Levee Improvement Project (2008 – 2010). We recommend continued consultation and collaboration with the U.S. Fish and Wildlife Service, California Department of Fish and Game, The Natomas Basin Conservancy, Sacramento Area Flood Control Agency, and Sacramento Area Council of Governments to ensure effects on waters of the US are avoided and minimized. We also recommend the Clean Water Act 404(b)(1) Alternatives Analysis be included as an appendix of the Record of Decision (ROD).

We continue to have concerns regarding the residual flood risk and the potential indirect and cumulative impacts of development in a floodplain protected by levees. We recommend implementation of the Natomas Basin flood safety plan as soon as possible and prior to approval of additional development, if feasible, so that new development does not compromise the flood-damage-and-risk-reduction achievements of this project. We recommend the ROD describe how future development would not constrain effective flood protection management nor compromise the flood benefits of this project.

We appreciate the opportunity to review this FEIS. If you have any questions, please contact me at (415) 972-3521, or contact Laura Fujii, of my staff, at 415-972-3852 or fujii.laura@epa.gov.

Sincerely,

/s/

Kathleen M. Goforth, Manager Environmental Review Office Communities and Ecosystems Division

cc: Ken Sanchez, U.S. Fish and Wildlife Service Robert Solecki, Central Valley RWQCB Jeff Drongesen, California Department of Fish and Game John Bassett, Sacramento Area Flood Control Agency