Notice of Preparation of a Recirculated Portion of an Environmental Impact Report

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception:

415.558.6378

Fax:

415.558.6409

Planning Information: 415.558.6377

Date: October 18, 2017

Case No.: 2015-004827ENV

Project Title: Alameda Creek Recapture Project

Location: The Sunol Valley in unincorporated Alameda County, west of Calaveras

Road and south of Interstate 680. The proposed facilities would be

constructed within and adjacent to an existing quarry pit on lands owned

by the City and County of San Francisco.

BPA Nos.: N/A

Zoning: Water Management

Block/Lot: N/A

Project Sponsor San Francisco Public Utilities Commission

Antonia Sivyer - (415) 554-2474

Lead Agency: San Francisco Planning Department

Staff Contact: Chris Kern – (415) 575-9037

Chris.Kern@sfgov.org

The San Francisco Planning Department is hereby issuing this notice of preparation (NOP) of a recirculated portion of the environmental impact report (EIR) on the project listed above. The purpose of the recirculated portion of the EIR is to address significant new information identified subsequent to the certification of the Final EIR on this project. The San Francisco Planning Department is issuing this NOP to inform the public and responsible and interested agencies about the proposed project, the significant new information, and the intent to prepare a recirculated portion of the EIR. This NOP is also available online at the following website: http://sf-planning.org/sfpuc-negative-declarations-eirs%20.

BACKGROUND

The Planning Department published a Final EIR (or June 2017 EIR) on the San Francisco Public Utilities Commission (SFPUC) Alameda Creek Recapture Project (ACRP or proposed project) on June 7, 2017. Two weeks later, on June 22, 2017, the San Francisco Planning Commission found the Final EIR to be adequate, accurate, and objective and certified the Final EIR in compliance with the California Environmental Quality Act (CEQA), CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code. Subsequent to that certification, the Alameda County Water District (ACWD) filed an appeal to the San Francisco Board of Supervisors (Board) requesting that the Board overturn the certification of the Final EIR. On July 27, 2017, the National Marine Fisheries Service (NMFS) filed a letter in support of the appeal that contained comments the Planning Department considers to be "significant new information" under CEQA Guidelines section 15088.5. In its letter, NMFS states that it "believes the document does not contain sufficient information to conclude the ACRP will not result in substantial effects on streamflow that support the migration of CCC steelhead in Alameda Creek." The letter provides important clarification of NMFS's questions regarding how the project would affect low flow

levels in Alameda Creek; the information in the NMFS letter constitutes significant new information that NMFS had not previously identified. This new information from NMFS affects the CEQA evaluation of operational impacts of the project on Central California Coast (CCC) steelhead (*Oncorhynchus mykiss*) distinct population segment (DPS), a species listed as threatened under the federal Endangered Species Act.

On September 19, 2017, the San Francisco Board of Supervisors adopted findings reversing the Final EIR certification and directed the Planning Department to provide additional information and analysis regarding whether the proposed project would result in operational impacts on steelhead fish in the lower watershed as a result of project-induced effects on streamflow in Alameda Creek.¹ The Board also directed that in conducting such additional environmental analysis, the Planning Department enlist an independent third party to review the groundwater/surface water analysis used in the EIR to determine if the analysis adequately and accurately supports the fisheries impact analysis as required by CEQA. The Board determined that with respect to all other issues, the June 2017 EIR is adequate, accurate, and objective, and no further analysis is required. Therefore, consistent with this direction from the Board, the Planning Department will revise and recirculate a limited portion of the June 2017 EIR that will provide additional information and analysis on operational impacts on steelhead fish in the lower watershed as a result of project-induced effects on streamflow in Alameda Creek.

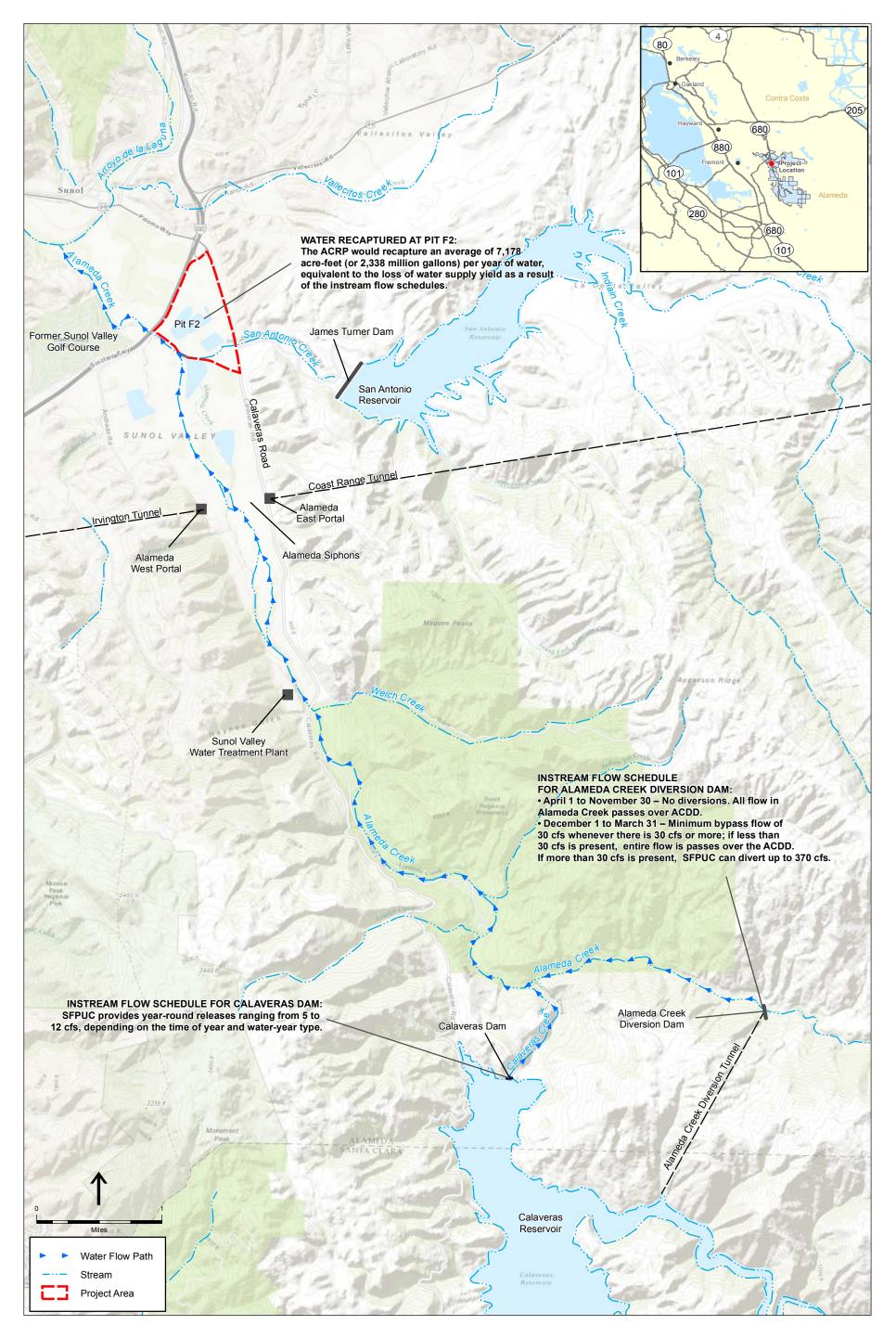
PROJECT DESCRIPTION

Overview

The SFPUC is proposing the ACRP as part of improvements to its regional water system as one component of the SFPUC's Water System Improvement Program (WSIP). The ACRP is a water supply project located in the Sunol Valley in Alameda County on lands within the SFPUC's Alameda Watershed. The project would be implemented following completion of the Calaveras Dam Replacement Project, which is currently under construction, and in conjunction with future operation of the restored Calaveras Reservoir. To comply with federal and state permit requirements for the future operations of Calaveras Dam and Reservoir, the SFPUC is required to make releases from Calaveras Dam and to bypass creek flow around the Alameda Creek Diversion Dam in accordance with instream flow schedules set forth by the NMFS in a March 5, 2011 biological opinion for the Calaveras Dam Replacement Project. The releases and bypasses are designed to improve conditions for native aquatic species including threatened CCC steelhead in Upper Alameda Creek downstream of Calaveras Dam and the Alameda Creek Diversion Dam. The SFPUC proposes the ACRP to "recapture" some of the water that it is required to release and bypass in order to also use this water in its regional water system. Figure NOP-1 shows the project location, including the downstream location of the ACRP project area relative to the Calaveras Dam and Reservoir and the Alameda Creek Diversion Dam.

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San Francisco Board of Supervisors, File No. 171000, Motion No. M17-148, September 19, 2017



Under the project, the SFPUC would construct facilities to withdraw water from Pit F2, an existing quarry pit formerly used by quarry operators located adjacent to Alameda Creek about six miles downstream of Calaveras Reservoir. The SFPUC would convey the recovered water to existing SFPUC facilities for treatment and distribution to its water supply customers in the Bay Area. Pit F2 passively collects water originating upstream from Alameda Creek through natural subsurface percolation and seepage, so the SFPUC would not construct any facilities within the Alameda Creek stream channel or actively divert water from the creek. By withdrawing water from Pit F2, SFPUC would recover only water that passively percolates or seeps into the pit. In addition, under the ACRP, the amount of water the SFPUC would pump or "recapture" from Pit F2 would be limited to the portion of the bypassed and released water that the SFPUC otherwise would have stored in Calaveras Reservoir but for implementation of the instream flow schedules established for the Calaveras Dam Replacement Project (described below under *Project Background*). The SFPUC has estimated that the amount of water to be released and bypassed to Alameda Creek as part of the future Calaveras Reservoir operations on average will be about 14,695 acre-feet per year. Under the ACRP, the SFPUC estimates that on average, the amount of water that would be recaptured and conveyed to the regional water system would be about 7,178 acre-feet per year.²

By recapturing water out of Pit F2, the SFPUC would maintain its historical withdrawal of water from the Alameda Watershed to the SFPUC regional water system, in accordance with the City and County of San Francisco's (CCSF) existing water rights. The SFPUC included the recaptured water project in the WSIP, and the Planning Department included the project in the environmental analysis of the WSIP Program EIR for the regional water system (described below under *Project Background*).

Project Background

SFPUC Water System Improvement Program. In October 2008, the SFPUC adopted the WSIP (SFPUC Resolution 08-200). The WSIP is a comprehensive program designed to improve the SFPUC's regional water system that serves drinking water to 2.6 million people in San Francisco, San Mateo, Santa Clara, Alameda, and Tuolumne Counties. The adopted WSIP will improve the reliability of the regional water system with respect to water quality, seismic response, water delivery, and water supply. The WSIP consists of a water supply strategy and modifications to system operations as well as construction of a series of facility improvement projects in seven counties—Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo, and San Francisco. One of the identified water supply and facility improvement projects of the WSIP is a water recapture project in the Sunol Valley region, now referred to as the ACRP.

The ACRP would support the SFPUC in achieving the established WSIP level of service goals and objectives related to water supply during both nondrought and drought periods by increasing operational flexibility and avoiding the loss of yield to the regional system from the SFPUC Alameda watershed system that would otherwise result from future operations of Calaveras Reservoir.

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An acre-foot of water is the volume of water that would cover one acre of land to a depth of one foot, which is equivalent to about 325,850 gallons. The average recapture volume of 7,178 acre-feet per year is enough water to serve approximately 128,000 residents in San Francisco for one year.

The Planning Department prepared a Program Environmental Impact Report (PEIR) to address the potential environmental impacts of the WSIP.³ The San Francisco Planning Commission certified the WSIP PEIR on October 30, 2008. The environmental analysis in the WSIP PEIR consisted of two main parts: (1) evaluation of the water supply and system operation impacts of the WSIP at a project-level, including the water recapture project in the Sunol Valley, and (2) evaluation of the WSIP facility improvement projects, including the proposed project, at a programmatic level, based on the information available at that time. Subsequent to certification of the WSIP PEIR in October 2008, the SFPUC approved the WSIP and adopted findings pursuant to CEQA, a Mitigation and Monitoring Reporting Program, and a statement of overriding considerations for the WSIP.⁴

Calaveras Dam Replacement Project. The Calaveras Dam Replacement Project (CDRP) is located upstream from the ACRP in the SFPUC's Alameda Watershed, and ACRP operations are dependent on full operation of the CDRP. The CDRP is a key regional facility improvement project of the WSIP that will construct a replacement Calaveras Dam and restore the storage capacity of Calaveras Reservoir to its historical levels prior to the restrictions imposed by the Department of Water Resources, Division of Safety of Dams in 2001. The Planning Department prepared an EIR on the CDRP to address its potential environmental impacts at a project-level, and the CDRP EIR was tiered from the WSIP PEIR in accordance with CEQA Guidelines Section 15168(c), which provides for environmental review of subsequent activities under the same program. The San Francisco Planning Commission certified the CDRP EIR on January 27, 2011,⁵ and the SFPUC adopted the CEQA Findings and approved the CDRP on the same date.⁶

On March 5, 2011, the NMFS issued a Biological Opinion on behalf of the U.S. Army Corps of Engineers, which issued a permit to the SFPUC for the construction and operation of the CDRP as required by the Clean Water Act.⁷ In the Biological Opinion, NMFS concluded that the construction and future operation of the CDRP is not likely to jeopardize the continued existence of threatened CCC steelhead based on the SFPUC's commitment to implement suitable instream flow conditions below Calaveras Dam and the Alameda Creek Diversion Dam, as specified in the Biological Opinion. Under this commitment, the SFPUC will make specified year-round releases from Calaveras Dam and will allow specified bypasses around the Alameda Creek Diversion Dam to improve streamflow in Alameda Creek. The required instream flow schedules will result in a corresponding reduction in the amount of water that the SFPUC historically maintained in Calaveras Reservoir and historically diverted from Alameda Creek into Calaveras Reservoir.

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San Francisco Planning Department, 2008. San Francisco Public Utilities Commission's Water System Improvement Program, Final Program Environmental Impact Report, File No. 2005.0159E, State Clearinghouse No. 2005092026, Certified October 30, 2008. Available online at http://sf-planning.org/sfpuc-negative-declarations-eirs.

San Francisco Public Utilities Commission (SFPUC), SFPUC Resolution 08-200, Water System Improvement Program California Environmental Quality Act Findings: Findings of Fact, Evaluation of Mitigation Measures and Alternatives, and Statement of Overriding Considerations. October 2008.

San Francisco Planning Department, 2011. San Francisco Public Utilities Commission Calaveras Dam Replacement Project, Final Environmental Impact Report. San Francisco Planning Department File No. 2005.0161E, State Clearinghouse No. 2005102102. Certified January 27, 2011.

San Francisco Public Utilities Commission (SFPUC), SFPUC Resolution 11-0015, Calaveras Dam Replacement Project, Project No. CUW37401, CEQA Findings, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program. January 2011.

National Marine Fisheries Service, 2011. Biological Opinion for the Calaveras Dam Replacement Project. Santa Rosa, CA.

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The CDRP is currently under construction, and completion is scheduled for spring 2019. Operation of the ACRP would not commence until construction of the CDRP is completed, since recapture of flows cannot occur until after the implementation of the instream flow schedules required under the NMFS Biological Opinion.

Project Construction

The ACRP would construct the following key facilities within the project area shown in Figure NOP-1:

- Four 400-horsepower vertical turbine pumps on floating barges centrally located in Pit F2, approximately 400 feet from the shore, with a mooring system to secure the floating barges
- Four 700-foot-long, 16-inch-diameter high density polyethylene (HDPE) flexible discharge pipelines extending from each vertical turbine pump to a new pipe manifold located on shore
- A 100-foot-long, 36-inch-diameter welded steel pipeline connection between the new pipe manifold and the existing Sunol Pump Station Pipeline
- Throttling valves and a flow meter
- An electrical control building
- An electrical transformer, and up to fifteen power and fiber optic line poles, and 1,800 feet of overhead power lines extending from the Hetch Hetchy Water and Power (HHWP) Calaveras Electrical Substation to the new electrical control building.⁸ In addition, approximately 2,800 feet of overhead fiber optic communication lines would extend from the HHWP Calaveras Electrical Substation to the new electrical control building below the overhead power lines along the new and existing power poles

No construction would occur within the Alameda Creek bed, bank, or stream channel. The SFPUC conducted water quality monitoring in Pit F2 from June 2014 to July 2016, and has determined at this time that no pretreatment would be required prior to conveying the water to existing SFPUC water facilities (i.e., the Sunol Valley Water Treatment Plant or San Antonio Reservoir). However, the State Water Resources Control Board, Division of Drinking Water would make the final determination regarding the need for additional treatment requirements.

Construction is expected to require approximately 18 months to complete. Construction activities would include staging/laydown, site clearing, demolition, drilling, earth work, structural placement and backfilling, concrete and paving work, dewatering, excavation, and trenching in the project area. The SFPUC would ensure that the ACRP construction contract specifications include uniform minimum provisions to incorporate its Standard Construction Measures to avoid impacts to existing resources to the extent feasible. The SFPUC would also implement protection measures pertaining to seismic and geotechnical issues, hazardous materials, and traffic during project planning, construction, and operation.

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Alternatively, as described in Section 3.3.7, if the HHWP Calaveras Electrical Substation cannot meet the power needs of the ACRP, power would come from the PG&E Sunol Electrical Substation. Under this alternative power option, overhead power lines would extend from existing power poles along Calaveras Road west to the new electrical control building.

Proposed Operations

Recapture operations under the ACRP would occur after implementation of the instream flow schedules required as part of the regulatory permits for future operations of Calaveras Reservoir and the Alameda Creek Diversion Dam. The proposed project would recapture the bypasses and releases as needed and as available at the existing quarry Pit F2 in the Sunol Valley. The project would utilize the natural infiltration of water into the ground in the vicinity of Pit F2 and its detention in the pit as the means by which the water would be recaptured. Using the proposed ACRP facilities described above, the SFPUC would then pump water from Pit F2, and the recaptured water would be transferred to the regional water system for municipal use. The recapture operation of the ACRP would be conducted within the CCSF's existing pre-1914 appropriative water rights. The volume of recaptured water would be tracked daily to ensure the operation is conducted within these water rights.

The volume of water bypassed and released, and subsequently available for recapture, would vary from year to year based on precipitation and the specific requirements of the instream flow schedules. Based on historical data, the SFPUC estimates that the average annual volume of bypasses and releases will be 14,695 acre-feet per year and the average annual recapture volumes would be 7,178 acre-feet per year.

Pumping from Pit F2 would generally take place between April and December, and on average, the ACRP would operate for approximately 121 days a year. Recaptured water would be pumped directly to the Sunol Valley Water Treatment Plant (SVWTP) or San Antonio Reservoir. It is anticipated that, in most cases, the water withdrawn from Pit F2 would be conveyed to the SVWTP and thereby reduce the volume of water conveyed from Calaveras Reservoir to SVWTP, enabling the SFPUC to conserve water in Calaveras Reservoir and maintain the historical annual transfers from the Alameda Watershed system to the regional water system. If the recaptured water is conveyed to San Antonio Reservoir, the water would be used to fill the available storage at that reservoir and subsequently would be treated at the SVWTP for delivery to the SFPUC service area.

ENVIRONMENTAL REVIEW PROCESS

As described above under Background, the San Francisco Planning Department prepared a Final EIR in June 2017 that fully evaluated the environmental effects of the proposed project on the environment. With the exception of one issue, the Board of Supervisors found the June 2017 EIR to be in compliance with CEQA (California Public Resources Code, sections 21000 et seq.), the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code. Therefore, the recirculated portion of the EIR on the ACRP will address only one issue: the project-specific operational impact on threatened CCC steelhead due to project-induced changes in Alameda Creek streamflow. The recirculated portion of the EIR will include a hydrologic analysis of changes in Alameda Creek streamflow over a range of conditions needed to support the impact analysis. It will also contain the results of an independent third party review of the sufficiency of the groundwater/surface water analysis used in the EIR to provide adequate and accurate information related to groundwater characteristics, including groundwater and surface water interactions, to support the analysis of project impacts on streamflow in Alameda Creek that could affect fisheries resources. All other issues-including all construction-related impacts, all other operational impacts, cumulative impacts, and evaluation of alternatives - were addressed in the June 2017 EIR, and the Board determined that no further

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The recirculated portion of the EIR will augment the June 2017 EIR for use as an informational document by governmental agencies and the public to aid in the planning and decision-making process. Together, the recirculated portion of the EIR and the June 2017 EIR will disclose any physical environmental effects of the project and identify possible ways of reducing or avoiding its potentially significant impacts.

FINDING

This project may have a significant effect on the environment related to operational impacts on CCC steelhead, and a portion of the Environmental Impact Report is required to be revised and recirculated for this single issue. This determination is based upon the criteria of the State CEQA Guidelines, sections 15064 (Determining Significant Effect) and 15065 (Mandatory Findings of Significance), and for the reasons described above. Documents related to the June 2017 EIR and the prior appeal process are also available upon request by contacting Chris Kern, San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA 94103, or by phone at (415) 575-9037, or by email at Chris.Kern@sfgov.org.

PUBLIC SCOPING PROCESS

Pursuant to CEQA Guidelines section 15082, this notice of preparation provides sufficient information describing the proposed project with respect to its potential environmental effects on CCC steelhead from project operations to enable responsible and trustee agencies to make a meaningful response on the limited portion of the EIR to be recirculated. The San Francisco Planning Department will accept written comments from agencies and the public for a 30-day period commencing from the date of this Notice. Written comments will be accepted **until 5:00 p.m. on November 17, 2017**. Written comments should be sent to Chris Kern, San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA 94103; by fax to 415-558-6409 (Attn: Chris Kern); or by email to Chris.Kern@sfgov.org.

If you work for a responsible State agency, we need to know the views of your agency regarding the scope and content of the environmental information that is germane to your agency's statutory responsibilities in connection with the proposed project and the limited portion of the EIR to be recirculated. Your agency may need to use the EIR when considering a permit or other approval for this project. Please include the name of a contact person in your agency.

Members of the public are not required to provide personal identifying information when they communicate with the Commission or the Department. All written or oral communications, including submitted personal contact information, may be made available to the public for inspection and copying upon request and may appear on the Department's website or in other public documents.

10/12/17 Date

Lisa Ğibson

Environmental Review Officer