



**FINDING OF NO SIGNIFICANT IMPACT
FOR
THE CITY OF DILLON
2021 WATER SYSTEM IMPROVEMENTS PROJECT**

TO: ALL INTERESTED PERSONS

Date:	April 7, 2021
Action:	Funding Drinking Water System Installation
Location of Project:	City of Dillon, Beaverhead County, Montana
DEQ DWSRF Loan:	\$3,303,000
DOC TSEP Grant:	\$ 500,000
DNRC RRGL Grant:	\$ 125,000
Total Project Cost:	\$3,928,000

An Environmental Assessment (EA) has been prepared by the Montana Department of Environmental Quality (DEQ) for proposed funding of the City of Dillon's 2021 Water System Improvements project. The proposed improvements include replacing two aging 10-inch transmission mains with a new 18-inch HDPE transmission main and the replacement of aging water distribution mains within the City.

The transmission main work installs approximately 7,700 lineal feet of new 18-inch HDPE pipe and occur between the Beaverhead County Fairgrounds and the City's existing water supply wells and storage tank, located off Ten Mile Road (west of the Beaverhead River). The distribution replacement work will install approximately 7,000 lineal feet of new 6 to 10-inch PVC pipe and will occur primarily along Idaho and Washington Streets between Orr Street and Virginia Street and along Orr, Reeder, Bannack and Virginia Streets between Pacific Street and Montana Street. The project will include all associated valves, fitting, meters, controls, appurtenances, and surface repair. The purpose of the project is to provide drinking water to the residents of the City of Dillon.

The City of Dillon is located in Beaverhead County on Intrastate 15 South of Butte, Montana. The water system provides service to approximately 4,500 residents. The human environment affected will include residents of the City. Based on the EA, the project is not expected to have any significant adverse impacts upon terrestrial and aquatic life or habitat, including endangered species, water quality or quantity, air quality, geological features, cultural or historical features, or social quality.

As indicated above, this project will be funded in part with a low interest loan through the Montana Drinking Water State Revolving Fund (DWSRF) Program,

administered by the Montana DEQ and the Montana Department of Natural Resources and Conservation.

The DEQ utilized the following references in completing its EA for this project: Environmental Report Water Transmission Main Replacement, June 2019 by DOWL. Montana Department of Commerce Treasure State Endowment Program Environmental Assessment for "Water Transmission main replacement", May 2018 by DOWL. Water System Preliminary Engineering Report (PER), May 2018 by DOWL Engineering. Project construction Plans and Specifications, January 2020 by DOWL. In addition to these references, letters were sent to: Montana Department of Environmental Quality (MDEQ), Montana Department of Fish, Wildlife & Parks (FWP), Montana Department of Natural Resources & Conservation (DNRC) Floodplain Management, Montana State Historic Preservation Office (SHPO), US Army Corp of Engineers (USACE), Montana Department of Transportation (MDOT), US Forest Service and US Fish and Wildlife (USFW) Response letters have been received from the MDEQ, DNRC, SHPO USFW, and the USACE. These references, and the EA, are available for review upon request by contacting:

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Montana DEQ
State Revolving Fund Program
P.O. Box 200901
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or

Michael Klakken, Mayor
City of Dillon
125 North Idaho Street
Dillon, MT 59725
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Comments on this finding or on the EA may be submitted to DEQ at the address spelled out above. After evaluating substantive comments, DEQ may revise the EA or determine if an EIS is necessary. This finding will stand if no substantive comments are received during the 30-day comment period or if substantive comments are received and evaluated and the environmental impacts are still determined to be non-significant.

Signed,



Mark A. Smith, DWSRF Program Manager
Engineering Bureau

c: file

CITY OF DILLON
2021 WATER SYSTEM IMPROVEMENTS PROJECT
ENVIRONMENTAL ASSESSMENT

I. COVER SHEET

A. PROJECT IDENTIFICATION

Applicant: City of Dillon
Address: 125 N. Idaho Street
Dillon, MT 59725

Project Number: Montana PWS E.Q. Number 21-1720

B. CONTACT PERSON

Name: Michael Klakken, Mayor
Address: 125 N. Idaho Street
Dillon, MT 59725

C. ABSTRACT

The City of Dillon is in Beaverhead County, Montana, on Intrastate 15 approximately 60 miles south of Butte, Montana. The City's water system provides service to approximately 4,500 residents. The source water supply consists of two wells on the west side of the Beaverhead River. Two additional wells are located within the city of Dillon. Water storage is provided by a 1,000,000-gallon tank located near the two wells on the west side of the River and a 750,000 gallon southwest of town. Earliest piping in the system included wood stave pipe constructed in the 1920's. Cast iron pipe in the system dates to the 1920's through the 1970's. Two major water transmission mains from the west side supply well and tank were constructed in 1948 along with a bridge over the river used as a pipe crossing for these transmission mains. The water system also includes a chemical building along with distribution and transmission mains from 10 to 16-inches in diameter. The City of Dillon, through a 2018 Preliminary Engineering Report (PER) prepared by DOWL Engineering, investigated the needs of the water system. Based on this analysis, the Engineer's recommendation, and the selected alternative, included the following items:

- Replace the two aging westside transmission mains with approximately 7,700 lineal feet of 18-inch HDPE main and appurtenances. The pipe will be installed under the Beaverhead River via jack and bore.
- Replace approximately 7,000 lineal feet of aging water distribution main primarily in Idaho, Washington, Orr, Reeder, Bannack, and Virginia Street.

This project will be funded with grants and loans through the Montana Department of Natural Resources and Conservation (DNRC) Renewable Resource Grant and Loan Program (\$125,000), the Montana Department of Commerce (DOC) Treasure State Endowment Program (TSEP) (\$500,000) and Montana Drinking Water State Revolving Fund (DWSRF) Loan Program (\$3,03,000).

Environmental sensitive issues and features such as wetlands, floodplains, and threatened or endangered species are not expected to adversely be impacted as a consequence of the proposed project. No significant long-term environmental impacts were identified.

This Environmental Assessment (EA) has been prepared in response to a loan application by the City of Dillon to the DWSRF Loan Program, co-administered by DNRC and the Montana Department of Environmental Quality (DEQ). This EA has been prepared to satisfy the requirements of the Montana Environmental Policy Act (MEPA) and the National Environmental Policy Act (NEPA). It has been reviewed by the DOC Treasure State Endowment Program for purposes of MEPA compliance.

D. COMMENT PERIOD

Thirty (30) calendar days

II. PURPOSE OF AND NEED FOR ACTION

The west side water transmission main consists of two 10-inch cast iron pipes that date back to the 1930s. The existing cast iron pipes are completely exposed (no insulation wrap or heat protection) within the covered bridge over the Beaverhead River and at both ends of the bridge. East of the bridge, the cast iron pipes were installed within a shallow trench with minimal cover over the top of the pipes. The exposed pipes within the bridge and the shallow installation is subjecting the pipes to freezing temperatures during winter months and agricultural equipment impacts during spring and summer months. It is likely water is freezing inside the pipes, minimizing flow capacity during winter and dramatically limiting fire protection provided by the West Reservoir. Given their shallow installation, the pipes can be visually seen in multiple locations and sink holes are visible throughout the fields. There is potential that the depth of the water main could also introduce shallow groundwater and possible bacteria contamination if the water main had a failure or had to be shutdown, reducing pressure in the line. Additionally, the pipes have shifted within the covered bridge, presumably by an earthquake in 2005. The pipe joints have been repacked, with one area severely misaligned and currently being braced by a chain and binder. The existing bridge crossing over the Beaverhead River also has exposed bridge abutments to the river and shallow installation, with an increased potential to be impacted by ice flows.

In addition to the issues and concerns regarding the existing west side water transmission main, there are substantial concerns related to the water distribution system within the City limits. The city has miles of pipeline that was constructed in the early to mid-1900s, that include cast iron and/or asbestos cement waterlines. Many of the older, leaking water mains and service lines are associated with high unaccountable water loss (34%) in the system.

The purpose of the project is to address health, sanitation, and security in Dillon by providing a safe and secure water supply to the community through the replacement of the west side water transmission main and the aging water distribution infrastructure within the city.

III. ALTERNATIVES INCLUDING THE PROPOSED ACTIONS

The 2018 PER examined multiple alternatives to correct the problems associated with the westside transmission main and the aging distribution mains within the city limits. Alternatives were evaluated based on their ability to meet the purpose and need of the project versus impacts to the human environment and costs.

The 2018 PER examined the following alternatives to address the problems associated with the West Side transmission main and the associated Beaverhead River Crossing.

West Side Transmission Main

- Import additional rock and soil fill material and place over the top of the two existing transmission mains.
- Re-bury the two existing pipes between Beaverhead River and I-15.
- Replace the two existing cast iron pipes with two HDPE pipes.
- Replace the two existing 10-inch cast iron pipes with one 18-inch fused polyvinyl chloride (PVC) or high-density polyethylene (HDPE) pipe.

Beaverhead River Crossing

- Open cut crossing
- Horizontal Directional Drill
- Rehabilitate the existing bridge

The selected alternative was to replace the two existing transmission mains with a single, 18-inch main. This new pipe would provide higher capacity than the two existing cast iron pipes, would be ideal for long alignments, provides for more efficient installation, and alleviates concerns regarding seismic design. The proposed alternative selected the horizontal directional drilling method for the river crossing.

For the Beaverhead River crossing, the proposed main HDPE or PVC main would be installed in a steel casing under the river through a horizontal jack and bore operation. The new PVC or HDPE pipe would then be pushed through the steel casing, with casing chocks/spacers strapped to the pipe to position and restrain the pipe within the casing. The proposed design will install the new pipe approximately eight feet under the river to ensure its long-term protection.

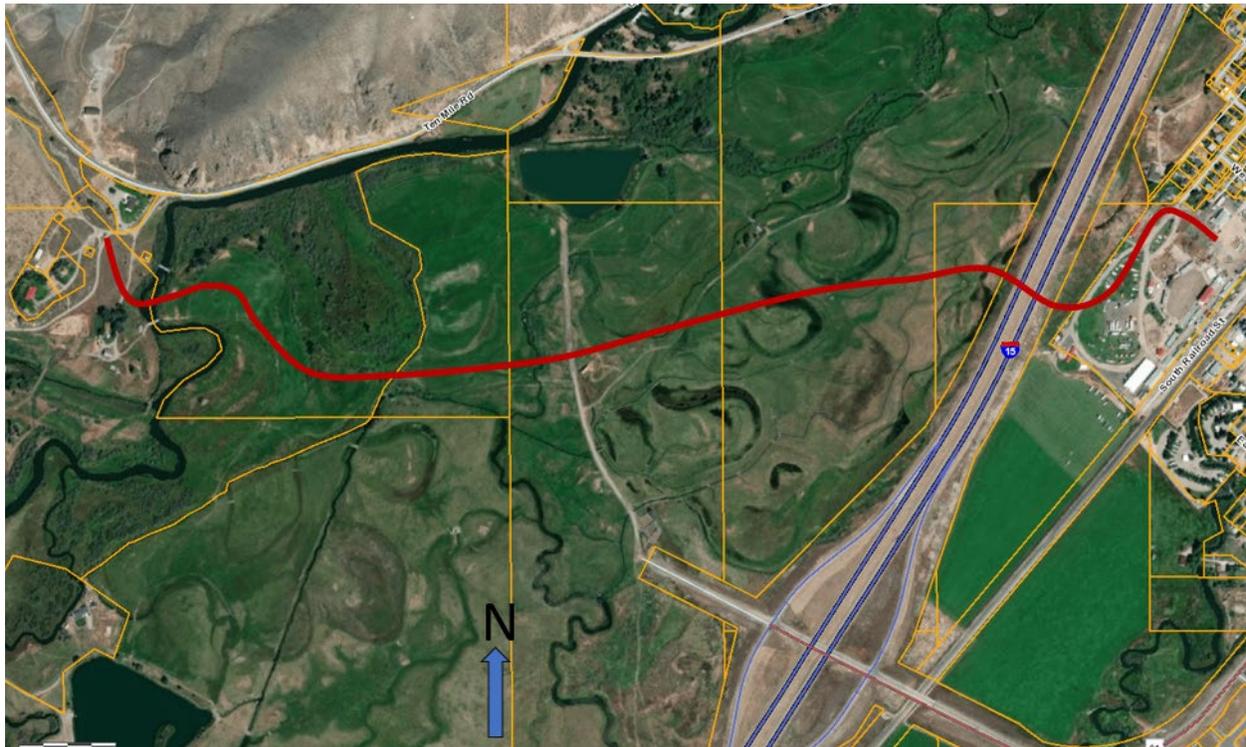
To accomplish the horizontal jack and bore, a jacking pit would be required on one side of the river and a receiving pit on the other side of the river. Both pits would require dewatering. A steel casing would be advanced from one side of the river to the other through a combination of drilling and jacking. A horizontal jack and bore process allows for more control and reduces the drilling risk if large rock and cobble is encountered. Under the Proposed Action, approximately 200 lineal feet of 36-inch steel casing pipe would be used for the Beaverhead River crossing.

Once on the east side of the Beaverhead River, the PVC or HDPE pipe would be installed using typical open-cut construction techniques and associated dewatering. Where the alignment

would cross existing irrigational canals and ditches, traditional open-cut construction would be used during the irrigation off-season to limit impact to irrigation use and grazing/harvest. The pipe would be installed 6-feet below the surface across open areas and approximately four feet below ditch crossings, or deeper, as needed to address potential scour depths and satisfy the County's requirements. During the installation of the new pipe, the existing water supply system would stay in operation until the final connection of the new pipe occurs. The existing cast iron pipes would then be removed. It is proposed to remove these lines to provide the landowners the opportunity to use the land for farming operations, as was originally intended.

Dewatering would need to be provided along the alignment to provide for proper installation and to address buoyancy prior to backfill and compaction. Dewatering would include the use of high flow pumps in conjunction with well points to lower the groundwater levels in the immediate construction area. Figure 1 shows the general area of the new transmission main work.

Figure 1. General location map of the West Side Transmission Main replacement work



Other Water Main Replacements

In addition to the West Side Transmission main replacement, several areas of the aging water distribution mains within the city limits would be replaced. Pipeline to be replaced was identified based on pipeline age, material type, and history of problems with leaks, breaks, and valve problems. The construction procedure would include open cut removal and replacement of the existing water mains. Construction would also include installation of service lines to the curb stop, installation of valves and hydrants, and surface restoration. Figure 2 shows the general location of the distribution main replacement work.

crossing would remain highly susceptible to damage and failure caused by earthquake, ice jam, or flood. If the west side transmission main were to break or become contaminated, there would not be enough water to meet the city's water needs for domestic and fire protection. Based on the needs of the City of Dillon the No Action Alternative will not be considered further as it does not address the urgent need of the water system.

IV. AFFECTED ENVIRONMENT

A. Description of the project Planning Area

1. The West Side Transmission Main Project is in Dillon, Montana starting approximately 1.3 miles southwest of I-15 near Ten Mile Road where the waterline crosses the Beaverhead River. The project continues generally east crossing agricultural fields then the line crosses approximately 500-ft under Interstate 15 and continues to its point of connection with the City of Dillon's water infrastructure near the Beaverhead County fairgrounds.
2. The water distribution replacement work will occur primarily at the following locations.
 - Idaho and Washington Streets between Orr Street and Virginia Street
 - Orr, Reeder, Bannack and Virginia Streets between Pacific Street and Montana Street.

V. ENVIRONMENTAL IMPACTS OF PROPOSED PROPERTY

No adverse impacts to the environment are anticipated by the installation of the proposed transmission main and distribution main replacement work.

A. DIRECT AND INDIRECT ENVIRONMENTAL IMPACTS

LAND USE

Land use in the proposed project limits and vicinity includes primarily agricultural, crop, and grazing land that is actively managed, with the Beaverhead River and floodplain bisecting the western limits/vicinity of the project. The developed City of Dillon is found at the eastern project limits/vicinity. The project limits are primarily on private land.

A review of Natural Resource Conservation Service (NRCS) soil survey maps and geotechnical reports show no major constraints within the project limits. There has been some seismic activity noted throughout the area in and around the City of Dillon. Most notably was an earthquake in 2005, that displaced a waterline pipe joint over the Beaverhead River and had to be restrained with a chain and binder.

Environmental Consequences

The Proposed Action Alternative would replace the existing west side transmission main at a deeper installation and replace various waterlines within the city limits. To install the new water transmission main, a new trench 6-feet deep would be excavated adjacent to the existing main. West side water distribution would occur in the existing transmission line while the new main is installed. Once the new main is in place, the existing main would be excavated and removed. Soil materials excavated would be used to fill in the pipeline trench and the area returned to its original condition.

By removing the existing exposed transmission lines and burying the new lines 6-feet below the surface, the project may provide a beneficial impact to agriculture land use by removing exposed pipe obstacles and allowing the landowners to resume full agricultural activities above the waterline. A new, more reliable water supply, that is seismically sound, may also have a direct, beneficial effect on growth and land uses, as these resources would no longer be incumbered or limited due to the lack of available water.

Mitigation

Coordination with landowners and appropriate local, state, and federal agencies would occur before and during construction to determine best management practices (BMPs) to implement. Additionally, soils that would not permanently stabilize by construction would be seeded using species specific to the project vicinity.

IMPORTANT-FARMLAND

Affected Environment

A review of aerials and the NRCS soils database for prime and unique farmland indicate that the proposed waterline would cross irrigated agricultural fields that have been designated by the NRCS as Farmland of Local Importance (NRCS, 2019).

Environmental Consequences

Under the Proposed Action Alternative, the new transmission main would be replacing the existing transmission main on the same alignment; however, it would be buried at a deeper depth to allow for agricultural practices to occur within the water main corridor. No permanent impact to, or conversion of, Farmland of Local Importance is anticipated. However, temporary impacts to agricultural activities may occur during construction.

Mitigation

No conversion of, or adverse impact to, Farmland of Local Importance is anticipated. The city and contractor would coordinate with landowners regarding construction scheduling to reduce temporary impacts to agricultural activities.

FLOODPLAINS

Affected Environment

According to the Federal Emergency Management Agency (FEMA) Flood Map Service Center, FEMA FIRM mapping indicates the proposed project limits would cross the 100-year floodplain of the Beaverhead River.

Environmental Consequences

Under the Proposed Action, temporary encroachment into the floodplain is anticipated during installation of the new watermain. Once buried, the new water main would not increase base-flood elevations, or impact the flood carrying capacity of the existing floodplain, as the new pipeline would be 8-feet beneath the Beaverhead River and 6-feet beneath the adjacent floodplain to account for scour.

Mitigation

An evaluation of activities within floodplains is not required for buried utility lines, as the action would not adversely affect the hydrological characteristics of the existing floodplain. However, a FEMA Standard Flood Hazard Determination Form will be submitted and further coordination with the Beaverhead County Floodplain Administrator, and the potential submittal of a floodplain permit, may be required.

WETLANDS:

Affected Environment

A review of the US Fish and Wildlife (USFWS) National Wetland Inventory mapping, the Montana Natural Heritage Program (MTNHP) wetland mapping, NRCS Soil Maps, aerials, and site photographs show palustrine and riverine emergent and shrub/scrub wetlands within and adjacent to the project limits. The wetlands are primarily found along the Beaverhead River, along small natural drainages, and along man-made agricultural ditches and canals that cross the project limits. Hydric Soils, which are associated with wetlands, are also found within the project limits. Soils within the Beaverhead River Crossing and portions of the water transmission main route are dominated by Beaverrock and occasionally flooded-Threeriv.

Environmental Consequences

Under the Proposed Action Alternative, wetland impacts are anticipated; however, these impacts would be temporary. Where trenching is required to install the new water main, wetland vegetation and associated hydric soils would be excavated and placed to the side of the trench. Once the pipeline is installed, these hydric soils and associated seed bank would be used to fill the trench in. Approximately 2 to 3 acres of temporary wetland impact are anticipated.

Mitigation

Once the water main is installed, wetland soils and materials (seed bank) would be placed back in the trench to allow wetland vegetation to reestablish. Disturbance to shrub/scrub wetland would be limited to the extent practicable, with root-balls left in place. Proposed impacts would be authorized under a Clean Water Act Section 404 Nationwide Permit 12. A wetland delineation will be conducted as required.

CULTURAL RESOURCES:

Affected Environment

As required under Section 106 of the National Historic Preservation Act, correspondence with Montana State Historic Preservation Office (SHPO) was conducted. SHPO indicated there are previously recorded sites within the project vicinity and that additional, unrecorded, cultural properties may be present within the project limits. Recorded sites within the project limits include a historic irrigation system that is eligible for listing in the NRHP.

Environmental Consequences

Under the Proposed Action Alternative, trenching across historic irrigation ditches and canals within the project limits would be required. This would be considered a temporary impact, as the ditches and canals would be restored to preconstruction

conditions once the water main was installed. If any additional cultural resources are discovered during construction SHPO will be contacted and the site investigated.

Mitigation

No mitigation measures are proposed.

FISH, WILDLIFE AND VEGETATION:

Affected Environment

The proposed project limits traverse the Beaverhead River, riparian zones, agricultural fields, and the urban limits of the City of Dillon. According to MTNHP, land cover within the project limits and vicinity is primarily agriculture use, with some montane grassland, sagebrush steppe and deciduous shrubland, and wetland and riparian cover. These various habitats found within the project vicinity support a wide variety of wildlife species. According to MTNHP Map Viewer, 26 mammal species, 133 bird species, 3 reptile species, and 2 amphibian species are known to occur within a three-mile radius of the project limits. Mammals known to occur within the project vicinity include mule deer, white-tailed deer, northern river otter, and porcupine. Additionally, according to the Montana Fish, Wildlife and Parks (FWP), 13 fish species are known to inhabit the Beaverhead River within the project vicinity (FWP, 2019).

Environmental Consequences

Construction-related impacts to terrestrial wildlife would primarily include temporary loss of these habitats and the displacement of resident wildlife from the construction area; possible injury or death to smaller, less mobile animals, including burrowing mammals, snakes, and frogs; and noise related disturbance. Aquatic species that may be found within the Beaverhead River would also experience temporary impacts from construction-related activities, primarily related to a minimal increase in sediment entering the river and noise related vibrations that may occur during the jack and bore process.

Mitigation

To reduce potential impacts to wildlife and vegetation, work would be confined to the proposed construction limits to the extent practicable. This would ensure that ground disturbing activities are limited, which would reduce the amount of potential dust created, as well as lower potential for noxious weeds or other undesirable plants to establish. Temporary impacts to disturbed soils would be seeded using species specific to the project vicinity to restore any impacted habitat.

THREATENED AND ENDANGERED SPECIES:

Affected Environment

USFWS Information for Planning and Consulting (IPaC) database was reviewed to identify Threatened and Endangered species listed within the project vicinity. The IPaC database shows four species with the potential to occur within the project vicinity. These include Canada lynx, grizzly bear, North American wolverine, and Ute ladies' tresses.

Suitable habitat for the Canada lynx, grizzly bear and wolverine does not exist within the project limits. The Ute ladies' tresses are a perennial herb. The species is primarily found in moist meadows associated with seasonal and perennial streams, floodplains, and oxbows. The species has also been identified along spring-fed abandoned channels, lakeshores, irrigation canals, berms, levees, irrigated meadows, reservoirs, and other human-modified wetlands. Suitable habitat for the Ute ladies' tresses may be found within the project limits.

Environmental Consequences

The USFWS indicated that the project area is moderately suitable habitat for Ute ladies' tresses. However, until a wetland delineation is conducted, the potential presence of Ute ladies' tresses is unknown. If present, short-term direct impacts to Ute ladies' tresses may occur during construction from the excavation of wetland and riparian vegetation along irrigation canals and the Beaverhead River. Long-term impacts to Ute ladies' tresses are not anticipated as wetland conditions would likely reestablish after construction activities are complete. Therefore, the proposed project may affect, but would not jeopardize the continued existence of, Ute ladies' tresses, if identified in the project limits.

Mitigation

No mitigation measures are proposed.

MIGRATORY BIRD TREATY ACT:

Affected Environment

The MTNHP database indicates there are more than 133 species of birds documented with the potential to occur and nest in the project vicinity. These species include representative songbirds, birds of prey, waterfowl, owls, and shorebirds. The project area may provide suitable nesting and foraging habitat for migratory birds traveling through the project area.

The proposed project is not located within a sage grouse executive order habitat area, and no further coordination with the Montana Sage Grouse Conservation Program is required.

Environmental Consequences

Habitat within and adjacent to the project limits is used by migratory birds for dispersal, foraging, and nesting during the breeding season. Under the Proposed Action Alternative, removal of shrub vegetation along the Beaverhead River may be required in order to install the new water transmission main. This removal has the potential to impact nesting birds protected under the MBTA, if any vegetation removal occurs during the breeding season (breeding season in Montana is April 15 to August 16).

Mitigation

In order to maintain compliance with the USFWS and MBTA guidance, disruption to nesting birds and disturbance of active nests would be avoided. Measures would be implemented to avoid the taking of migratory birds, their eggs, hatchlings, or fledglings during construction. This will include removing any suitable nesting habitats (i.e., trees and shrubs) existing within the construction limits, and that would be affected by

construction, outside of the nesting season. If an active nest, including before or after the local nesting window, is discovered, the nest will be left in place and protected until the young hatch and depart.

BALD AND GOLDEN EAGLE PROTECTION ACT:

Affected Environment

Both bald and golden eagles have been documented within the project vicinity; however, no suitable bald or golden eagle nesting habitat (i.e. very large trees) is found within the general vicinity of the project limits. Eagles that may be found in the project limits are likely foraging.

Environmental Consequences

The project limits and vicinity provide no suitable nesting habitat for bald and golden eagles; however, foraging eagles may occur in the area. Temporary construction related impacts may occur, as construction noise may cause the birds to avoid the area. Construction noise will cease once the water transmission main is in place.

Mitigation

No mitigation measures are proposed.

INVASIVE SPECIES:

Affected Environment

The state of Montana has designated forty species of plants as noxious weeds in Montana. Beaverhead County has designated an additional eleven species as noxious weeds within the county.

Environmental Consequences

The Proposed Action Alternative would include construction-related soil disturbance. Disturbance would be primarily due to excavation of material for the pipeline trench and disturbance from construction equipment maneuvering. The use of construction equipment and movement of soils has the potential to introduce invasive species or spread invasive species within the project limits.

Mitigation

Measures would be implemented to reduce the spread and establishment of noxious weeds and to re-establish permanent native vegetation. Disturbed areas should be seeded with desirable native plant species. In compliance with Executive Order 13112 regarding noxious weeds, the contractor would inspect all earth-moving and hauling equipment at the contractor's equipment storage facility, and all equipment would be washed prior to entering the construction site to prevent the introduction of noxious weed seed.

WATER QUANTITY:

Affected Environment

A review of aerials and topographic maps show the project limits cross the Beaverhead River, several irrigation ditches and canals, and small natural drainage swales. The Beaverhead River is a predominant water resource and would be considered

jurisdictional by the USACE. Additionally, the irrigation ditches and canals may be considered jurisdictional if they return flows to a water of the US. Depending on the characteristics of the existing drainage swales, the USACE may also consider these features jurisdictional.

Shallow groundwater is present within the project limits, particularly between the Beaverhead River and I-15, as the existing aquifer is highly productive. The lowest groundwater does not occur until late fall. Deeper zones of the aquifer, under the City of Dillon and west of the Beaverhead River, serve as a drinking water supply for the City of Dillon. Additionally, the wells are highly productive, with capacities of 500 to 1,000 gallons per minute.

Environmental Consequences

Under the Proposed Action Alternative, dewatering for construction would be required to address buoyancy prior to backfill and compaction along the transmission main alignment and for the jacking pits at the Beaverhead River crossing. Temporary trenching across irrigation ditches and canals would also occur.

The proposed project would replace an existing, outdated City of Dillon water supply line. The project would greatly improve the efficiency of water supply transfer and conservation of water (elimination of leaky pipelines) and have a beneficial impact on the community water supply.

Mitigation

Any dewatering to surface water would require a Dewatering Permit from Montana Department of Environmental Quality (DEQ). The placement of dredge or fill material within surface waters considered jurisdictional by USACE would also require authorization under a Clean Water Act Section 404 Nationwide Permit 12. In addition, impacts to the bed and bank of any natural drainage would also require a Stream Protection Act 124 permit from FWP.

WATER QUALITY:

Affected Environment

Water quality standards are used to determine the chemical, biological, and physical conditions of surface waters. To identify impairments within Montana's surface waters, concentrations, frequency, duration, and narrative criteria are used to determine the condition. The project limits are within the Beaverhead River Watershed. The lower Beaverhead River, within the project limits, is impaired for temperature and sediment, and does not fully support primary contact recreation and aquatic life (DEQ, 2014).

Environmental Consequences

Under the Proposed Action Alternative, temporary impacts would occur to surface waters during construction, as boring, excavation, and soil disturbance would be required. This may include temporary increases in turbidity and sedimentation. Overall, the project would improve domestic water quality by reducing possible bacteria contamination within the water main.

Mitigation

The Beaverhead River is within the Beaverhead TMDL Planning Area, with the river not fully supporting primary contact recreation and aquatic life. Sediment during construction would be a potential impact. Because the project would involve over 1 acre of ground disturbance, coverage under the Montana Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Construction Activity would be required from Montana DEQ. This would require the preparation of a Stormwater Pollution Prevention Plan and implementation of BMPs to reduce sediment laden runoff from entering surface waters.

SOCIOECONOMICS AND ENVIRONMENTAL JUSTICE:

Affected Environment

The project is located within Census Tract 3. Data at the Census Tract level was compared with the percentages of corresponding city, county, and state occurrences. Corresponding poverty levels and population based on race are detailed in the 2018 PER. The PER notes that the population within Census Tract 3 that is below the poverty level or within a minority population is consistent, or below, the percentages for the City of Dillon, Beaverhead County, and the state of Montana. Therefore, no relative concentration of low income or minority populations are identified.

Environmental Consequences

The Proposed Action Alternative would have minor, short-term and long-term, beneficial effects on the local economy and income. This alternative would result in a small number of temporary job opportunities for local residents as part of the labor force necessary to complete the proposed improvements. However, if construction is completed by non-local companies, the potential creation of jobs may be negligible. Non-local employees of the construction contractor(s) would likely spend money in the City of Dillon for items such as lodging, meals, and light construction supplies and materials, contributing to the local economic base over the short-term.

Mitigation

No mitigation measures are proposed.

AIR QUALITY:

Affected Environment

A review of the Montana DEQ air quality database shows the project is found within an area that attains all federal and state air quality standards.

Environmental Consequences

The Proposed Action Alternative would involve installation of a new, buried water main and replacement of waterlines within the city limits. No permanent degradation of air quality is anticipated. Some temporary air quality degradation due to dust and construction equipment emissions is anticipated during construction. This would be minor and localized and cease once construction is complete.

Mitigation

No mitigation measures are proposed.

HAZARDOUS FACILITIES:

Affected Environment

A review of the Montana Bureau of Mines and Geology (MBMG) database, the Montana DEQ database, and the National Pipeline Mapping System (NPMS) were conducted to obtain available information on potential underground storage tank (UST) sites, leaking underground storage tank (LUST) sites, petroleum release fund claims, mining districts, abandoned mine sites, remediation response sites, National Priority List sites, open cut permits, hazardous waste, oil and gas pipelines, and toxic release inventory sites within the project limits.

After reviewing the Montana DEQ and MBMG databases and NPMS, it was determined there is no mapped data of hazardous waste sites, UST sites, LUST sites, or other hazardous facilities within or near the project limits. One open cut mine was identified within the project vicinity.

Environmental Consequences

One open cut mine was identified within the project vicinity, but it would not be impacted.

Mitigation

No mitigation measures are proposed.

NOISE:

Affected Environment

The project limits are located primarily in a rural agricultural and rural residential area, with the more eastern portions of the project limits within commercial and residential areas within the City of Dillon. The primary source of ambient noise is traffic on I-15 and urban activity within the City of Dillon. Other dispersed, low, and intermittent sources include agricultural equipment.

Noise-sensitive receptors can include residences, schools, churches, hotels, and libraries. Many of these receptors are located directly adjacent to the project limits.

Environmental Consequences

Under the Proposed Action Alternative, construction activities would take place within the vicinity of a park, residences, Southside RV Park, and the Beaverhead County fairgrounds. No permanent noise related impacts to adjacent sensitive noise receptors is anticipated. However, temporary, short-term noise impacts would occur during construction activities. The construction period would be limited to normal daytime hours to avoid early morning and late evening construction noise impacts to sensitive receptors. These noise impacts would be intermittent and cease once construction is complete.

Mitigation

No mitigation measures are proposed.

TRANSPORTATION:

Affected Environment

Ten Mile Road, I-15, and several local streets within the Dillon city limits traverse the project limits. I-15 is a major highway that travels north/south through the project vicinity.

Environmental Consequences

The Proposed Action Alternative would bore under the existing interstate to reach the public water distribution system on the east side of the roadway. No conflicts with traffic are anticipated during the effort. Traffic on local roadways and on Ten Mile Road may be temporarily slowed down as materials and heavy equipment are transported to the project limits. Detours may also occur on local roads within the City of Dillon as waterlines within the city are replaced. These impacts to traffic movement are anticipated to be short-term and minor.

Mitigation

The contractor would coordinate any potential detours with the City of Dillon.

AESTHETICS:

Affected Environment

The existing visual character of the project vicinity includes a large valley with rural development. Dominant visual features found within the general area include agricultural fields, the Beaverhead River, a riparian and wetland corridor along the river, the I-15 corridor, and the urban limits of Dillon. Background views are dominated by the Ruby Range to the east, the Blacktail Mountains to the south, Badger Ridge to the west, and the Pioneer Mountains to the north.

Environmental Consequences

Temporary impacts to the viewshed may take place under the Proposed Action Alternative during construction; however, the visual quality will return to its existing condition when construction ceases.

Mitigation

No mitigation measures are proposed.

HUMAN HEALTH AND SAFETY:

Affected Environment

The existing City of Dillon water system is essential in providing a safe and secure water supply to the Dillon community. Overall, the water system is in good condition; however, the current west side water transmission mains are at risk of failure. If either transmission main failed, the City of Dillon's water supply would be reduced from a lack of storage and delivery. Inadequate water delivery could be a serious health risk, especially related to fire protection. In addition, there is potential that the depth of the

water main could also introduce shallow groundwater and possible bacteria contamination if the water main had a failure or had to be shutdown.

Environmental Consequences

The Proposed Action Alternative would have a beneficial impact on public health and safety by providing a more efficient and secure public water distribution system.

Mitigation

No mitigation measures are proposed.

CUMULATIVE EFFECTS:

When considering the Proposed Action Alternative, along with other past, present, and reasonably foreseeable future actions, along with proposed mitigation, the Proposed Action Alternative would likely result in minor cumulative impacts on wetlands, surface waters, water quality, vegetation, wildlife, human health and safety, and cultural resources.

B. UNAVOIDABLE ADVERSE IMPACTS

Short-term construction related impacts, such as noise, dust, and traffic disruption, will occur but should be minimized through proper construction management.

VI. PUBLIC PARTICIPATION

Initial public involvement for this project began with a public meeting held on April 18, 2018, at Dillon's City Commission Meeting to discuss the overall project and potential environmental and socioeconomic impacts. A public comment and review period was advertised with no public comments received during this period.

VII. REFERENCE DOCUMENTS

The following documents were utilized in the environmental review of this project and are considered to be part of this project file.

- A. City of Dillon Environmental Report Water Transmission Main Replacement, June 2019 by DOWL.
- B. City of Dillon, Montana Department of Commerce Treasure State Endowment Program Environmental Assessment for "Water Transmission main replacement", May 2018 by DOWL.
- C. City of Dillon Water System Preliminary Engineering Report (PER), May 2018 by DOWL.
- D. City of Dillon Engineering Plans and Specifications. February 2020 by DOWL.

VIII. AGENCIES CONSULTED

Several federal and state government agencies were sent letters in February 2018 requesting a review of the proposed transmission main and distribution system project. The agencies that provided comments include the following:

- A. Department of the Army – U.S. Corps of Engineers reviewed the project and a comment letter dated February 21, 2018, stated, “The mission of the Corps Regulatory Program is to protect the Nation’s aquatic resources while allowing reasonable development through fair, flexible and balanced permit decisions. In particular, under Section 404 of the Clean Water Act, we work to protect the biological, physical, and chemical integrity of the Nation’s aquatic resources.” The City will apply for all applicable permits and will minimize impacts to aquatic resources by using jack and bore under the river.
- B. Montana Historical Society’s Historic Preservation Office (SHPO) reviewed the project and a comment letter dated February 13, 2018, stated “As Long as there will be no disturbance or alteration to structures over fifty years of age, we feel that there is a low likelihood cultural properties will be impacted. We, therefore felt that a recommendation for a cultural resource inventory is unwarranted at this time. However, should structures need to be altered or if cultural materials be inadvertently discovered during this project, we would ask that our office be contacted, and the site investigated. The City design engineer will review the final pipe installation routing and request any needed inventory surveys by SHPO.
- C. Montana Department of Environmental Quality (MDEQ) responded with a letter dated February 13, 2018, stated, “Since the Department of Environmental Quality (DEQ) will be reviewing environmental documents, the preliminary engineering report, plans and specifications for the proposed project and issuing a permit to construct the new facilities, those reviews will serve as DEQ’s comments.” The City will apply for all applicable permits and receive all necessary DEQ approvals before constructing the water distribution system.
- D. Department of the Interior Fish and Wildlife Service responded with a letter dated February 28, 2018, stated “our comments are prepared under the authority of, and in accordance with, the provisions of the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.) Bald and Golden Eagle Protection Act (16 U.S.C. 153 et seq.). Our comments do not address the overall environmental acceptability of the proposed action”.

IX. AGENCY ACTIONS, APPLICABLE REGULATIONS, AND PERMITTING AUTHORITIES

All water system improvements will be designed to meet Montana DEQ requirements. Proper State regulatory review and approval of the project plans and specifications will be obtained. All applicable local, federal, and state permits will be acquired including, but not limited to, a stormwater discharge permit and a construction-dewatering permit, if needed.

All appropriate easements and access will be addressed with regards to the water system infrastructure. Land acquisition or long-term agreements will be established for the land requirements associated with the new water distribution system.

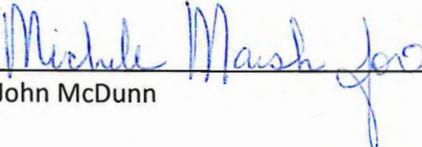
X. RECOMMENDATION FOR FUTURE ENVIRONMENTAL ANALYSIS

EIS More Detailed EA No Further Analysis

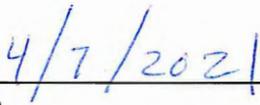
Rationale for Recommendation: Through this EA, the Montana DEQ has verified that none of the adverse impacts of the Nine Mile County Water and Sewer District Water Distribution System Project are significant. Therefore, an environmental impact statement is not required. Based on

this EA, a Finding of No Significant Impact (FONSI) will be issued and legally advertised in the local newspaper and distributed to a list of interested government agencies. Comments regarding the project will be received for 30 days before final approval of the EA is granted. This environmental review was conducted in accordance with the Administrative Rules of Montana (ARM) 17.4.607 thru 17.4.610.

EA Prepared By:



John McDunn

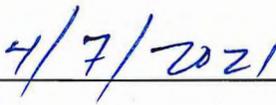


Date

EA Reviewed By:



Robert Ashton



Date