NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL IMPACT REPORT SHASTA RIVER WATERSHED-WIDE PERMITTING PROGRAM CALIFORNIA DEPARTMENT OF FISH AND GAME

To Responsible and Trustee Agencies and All Interested Parties:

The California Department of Fish and Game (CDFG) and the Shasta Valley Resource Conservation District (SVRCD) have developed a watershed-wide permitting program for the Shasta River watershed (Program). The Program is designed to implement key coho salmon (*Oncorhynchus kisutch*) recovery tasks while facilitating compliance by agricultural operators and those implementing coho salmon restoration projects with the California Endangered Species Act (CESA) (Fish and G. Code, § 2050 *et seq.*) and Fish and Game Code section 1602 (section 1602). For purposes of the Program, "agricultural operator" means: 1) any person who lawfully diverts water from a stream in the Shasta River watershed (Program Area) for an agricultural purpose; and/or 2) any person involved in a lawful agricultural operation on property in the Program Area through which or adjacent to which a stream flows.

CDFG has determined that the Program and the activities authorized under it through a watershed-wide Master Streambed Alteration Agreement (MSAA) and Incidental Take Permit (ITP) have the potential to cause significant adverse environmental effects. As a result, it is preparing an environmental impact report (EIR) pursuant to the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.).

CDFG is the lead agency for the purpose of reviewing the Program and the activities it will authorize under the Program because CDFG has principal responsibility for approving and administering the Program (Cal. Code Regs., tit. 14, § 15367). The activities CDFG will authorize are referred to in the ITP and MSAA as "Covered Activities." CDFG has identified the North Coast Regional Water Quality Control Board as a responsible agency because it may have discretionary approval over some of the Covered Activities the Program will authorize (Cal. Code Regs., tit. 14, § 15381). A "trustee agency" is a state agency that has jurisdiction over natural resources held in trust for the people of the state that could be affected by a project (Cal. Code Regs., tit. 14, § 15386). CDFG has identified the State Lands Commission (SLC) as a trustee agency because the Covered Activities authorized under the Program could affect the beds of navigable waters and other "state owned 'sovereign' land" which are within SLC's jurisdiction (Cal. Code Regs., tit. 14, § 15386, subd. (b)).

CDFG needs to know your views regarding the scope and content of the environmental information in connection with the Program. The initial study that has been prepared for the Program is attached as Attachment 4 and is also available for review at: http://www.dfg.ca.gov/hcpb/whatsnew/whatsnew.shtml

You may also request a copy of the initial study from CDFG (see below). CEQA requires that you submit any response to CDFG at the earliest possible date, but not later than 30 days after receipt of this notice.

Requests for a copy of the initial study or any other information regarding the Program, and all responses to this notice should be sent to:

Bob Williams, Staff Environmental Scientist Conservation Planning California Department of Fish and Game 601 Locust Street Redding, CA 96001 530-225-2365

Four documents are attached to this notice. Attachment 1 provides an overview of the Program, the scoping process, and the draft EIR schedule. Attachment 2 shows the location of the Shasta River Watershed. Attachment 3 shows the environmental factors potentially affected by the Program that the EIR will address. Attachment 4 is the Initial Study.

Date: October 19, 2006

for

DONALD B. KOCH, Regional Manager Northern California North Coast Region California Department of Fish and Game 530-225-2363

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ATTACHMENT 1

Background

The Shasta River Watershed-wide Permitting Program (Program) is designed to implement key coho salmon (*Oncorhynchus kisutch*) recovery tasks while facilitating compliance by agricultural operators and those implementing coho salmon restoration projects with the California Endangered Species Act (CESA) (Fish and G. Code, § 2050 *et seq.*) and Fish and Game Code section 1602 (section 1602). Compliance with those laws is necessary because both agricultural water diversions and recovery efforts could result in temporary or long-term adverse effects on coho salmon and other stream resources. Currently, agricultural operators in the Shasta River watershed (Program Area) can comply with CESA by applying to CDFG for an individual incidental take permit, and with section 1602 by submitting a notification and obtaining a streambed alteration agreement (SAA). To facilitate such compliance, CDFG and the Shasta Valley Resource Conservation District (SVRCD) developed the Program as an alternative to the standard process an agricultural operator would need to follow to obtain an ITP and SAA.

On March 29, 2005, SVRCD submitted an application to CDFG for a watershed-wide ITP pursuant to Fish and Game Code section 2081(b) and (c). On April 1, 2005, SVRCD submitted a notification to CDFG for a Master Streambed Alteration Agreement (MSAA). Thereafter, CDFG has worked to prepare a draft watershed-wide ITP and MSAA in cooperation with SVRCD and agricultural operators. The Program will enable agricultural operators and those implementing coho salmon restoration activities, including SVRCD, to obtain coverage for their activities through the issuance of the ITP and sub-permits (for CESA) and individual SAAs (for section 1602). The sub-permits and SAAs will include those conditions in the watershed-wide ITP and MSAA that apply to the activities the ITP and MSAA authorized, referred to as "Covered Activities."

The ITP, MSAA, and individual sub-permits and SAAs comprise the Program. The Program will authorize SVRCD and participating agricultural operators to conduct a range of Covered Activities specified in the ITP and MSAA within and adjacent to the Shasta River and its tributaries, provided they conduct the activities in accordance with the avoidance, minimization, and mitigation measures specified in the ITP (for SVRCD only), and the avoidance and minimization measures specified in the sub-permits (for the agricultural operators only), and SAAs (for SVRCD and the agricultural operators) to protect fish and wildlife resources, including coho salmon. The term of the ITP will be 10 years. The term of the MSAA will be 5 years, which CDFG may extend for a second 5 year period.

CDFG and the Siskiyou Resource Conservation District are developing a similar watershed-wide permitting program for the Scott River watershed, also in Siskiyou

ATTACHMENT 1

County. That program is the subject of a separate environmental review process under CEQA.

Master Streambed Alteration Agreement

CDFG and SVRCD have developed a Memorandum of Understanding which identifies their roles and responsibilities in administering and implementing the MSAA. The MSAA, which is currently in draft form, will identify specific Covered Activities. The MSAA also will include measures necessary to protect fish and wildlife resources that any of the Covered Activities may substantially adversely affect. Each participating agricultural operator who intends to conduct a Covered Activity will be required to complete an application, referred to as a "notification" with SVRCD's assistance. SVRCD will also be required to notify CDFG to conduct a Covered Activity. After CDFG receives the notification, it will confirm the proposed activity is covered by the MSAA, and thereafter prepare a SAA for the participating agricultural operator or SVRCD which includes the particular set of protective measures in the MSAA that are assigned to that activity. The EIR will analyze the potential environmental effects of the Covered Activities in the MSAA. Requests for SAAs which include activities not identified within the MSAA may require additional environmental review.

Incidental Take Permit

Under CESA, a person may not "take" a species listed as threatened or endangered unless the take is incidental to an otherwise lawful activity and the person obtains take authorization from CDFG in the form of an incidental take permit. CDFG and SVRCD have worked together to develop a watershed-wide ITP as part of the Program, which is currently in draft form. The ITP will establish a program through which SVRCD and participating agricultural operators will be authorized to take coho salmon incidental to otherwise lawful Covered Activities. Specifically, CDFG would issue sub-permits to participating agricultural operators who intend to complete a Covered Activity, thereby making them sub-permittees. SVRCD will be covered by the ITP rather than by a separate sub-permit. As a condition of the ITP and each sub-permit, SVRCD and sub-permittees will be required to comply with specific avoidance and minimization measures identified in the watershed-wide ITP and sub-permit. In additions, SVRCD will be required to perform the mitigation measures identified in the ITP to fully mitigate take of coho salmon, and to monitor and report on the Covered Activities and avoidance, minimization, and mitigation measures.

Program Advantages

Participation in the Program has many advantages, including the following:

• The Program represents a comprehensive, watershed-wide effort to implement key coho salmon recovery actions.

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¹ Pursuant to Fish and Game Code section 86, "take" means hunt, pursue, catch, capture, or kill, or attempt to hunt, pursue, catch, capture, or kill.

- The Program will bring existing agricultural water diverters into compliance with CESA and section 1602
- SVRCD will have one watershed-wide ITP for their many restoration projects, which will minimize the time and effort needed to obtain individual take authorization on a project-by-project basis. With the MSAA and ITP, it will take much less time for CDFG to develop individual SAAs for each SVRCD project subject to section 1602 and sub-permits for participating agricultural operators.
- SVRCD will assist participating agricultural operators to prepare their SAA notifications and those operators will not be required to pay a notification fee to CDFG.
- SVRCD (through the ITP) and agricultural operators (through their sub-permits) will be authorized to take coho salmon incidental to the Covered Activities in the ITP.
- SVRCD and participating agricultural operators will not be responsible for CDFG's
 cost to prepare the EIR for the Program and, in most instances; CDFG will not
 need to prepare an additional environmental document under CEQA before issuing
 a sub-permit or SAA.
- CDFG will avoid the time needed to prepare multiple incidental take permits for multiple SVRCD activities.
- The Program provides a coordinated approach to implement restoration projects critical for recovering coho salmon.

Scoping and Public Information Meetings

CDFG is seeking input on the scope and content of environmental information relevant to the Program and the Covered Activities authorized under it. To that end, CDFG will hold a public scoping meeting on **October 24, 2006**, from 6:30 to 8:30 p.m. The scoping meeting will provide the public an opportunity to comment on the scope of the environmental analysis in the EIR, and to raise issues, concerns, and ideas regarding potential impacts of the program and the projects authorized under it, feasible mitigation measures, and possible alternatives to the Program.

Prior to the public scoping meeting, CDFG will hold a workshop on techniques for effective participation in the CEQA environmental review process from 3:00 to 5:00 p.m. Workshop topics will include an overview of the environmental review process and information on the many ways the public can participate in the process. Workshop topics will include an overview of the review process under CEQA and information on how the public may participate in that process. It will not necessary to attend the CEQA workshop in order to participate in the public scoping meeting.

The scoping and public information meetings will be held at the Miner's Inn located at 122 E. Miner Street in Yreka.

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Draft EIR Schedule

The Draft EIR is scheduled for circulation in spring 2007.

Other CDFG Projects

Other significant CDFG projects near the Program Area include the Scott River watershed-wide permitting program and the petition in front of the Fish and Game Commission to remove the Siskiyou Mountains Salamander from the state list of threatened species under the California Endangered Species Act

Additional Information

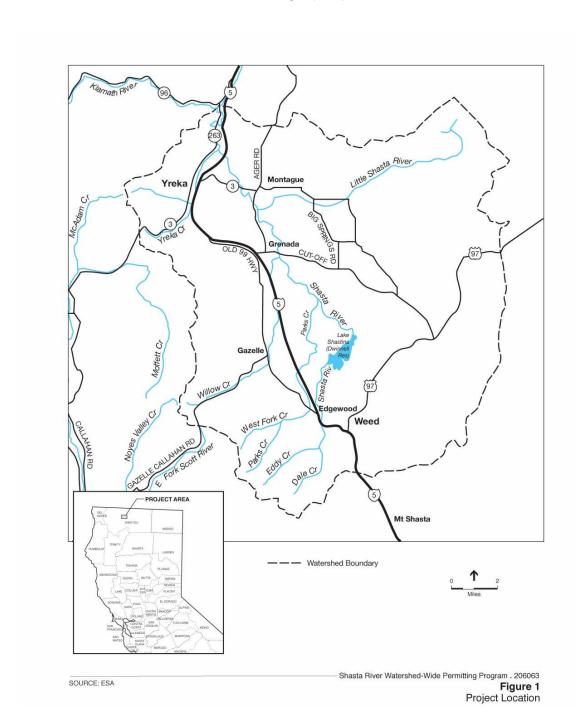
Additional information about the Shasta River Watershed-wide Permitting Program may be obtained from CDFG's website at: http://www.dfg.ca.gov/hcpb/whatsnew/whatsnew.shtml

CDFG's contact person for any questions regarding the Program is:

Bob Williams, Staff Environmental Scientist Conservation Planning California Department of Fish and Game 601 Locust Street Redding, CA 96001 530-225-2365

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ATTACHMENT 2



Transportation and Traffic

Attachment 3

Environmental Factors Potentially Affected

Public Services

Utilities and Service Systems

The environmental factors checked below potentially would be affected by this project, involving at least one impact that is a "potentially significant impact."

Aesthetics
Agriculture Resources
Air Quality
Biological Resources
Cultural Resources
Geology, Soils and Seismicity
Hydrology and Water Quality
Air Quality
Land Use and Land Use Planning
Mineral Resources
Noise
Population and Housing

Mandatory Findings of Significance

Recreation

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Mail to: State Clearinghouse, 1400 Tenth Street, Sacramento, CA 95814 - 916/445-0613

ENVIRONMENTAL DOCUMENT TRANSMITTAL FORM

	See NOTE BELOW					
SCH#						

1.	Project Title						3.	Contact Person	Bob	William	S
2.	Lead	California Department of Fish and Game					3.	Contact			
3a.	Agency Street Address	601 Loc	601 Locust Street					Person City Redo	ding		
3c.	County Sh	asta		3d. Zip	96001		3e.	Phone 53	0-225-	2365	
PROJECT LOCATION											
4.	County Sis	skiyou			4a.	City/Cor	nmunit	NA			
	Assessor's No.	Parcel NA	1		_,	Section		Twp.	NA	Ra e	ang NA
5a.	Cross Streets	NA			5b.	For Rur Commu		est			
6.		s: a. State F				Airports	ΝA		-		
		c. Railwa	ys NA		_ d.	Waterwa	ays Sha	asta River	and its t	ributaries	S
	03. 🗌			lement/Subsec	quent EIR	NEPA)	10. 🔲 I	NOI FONSI Draft EIS EA	OTHER	14. 🔲	Joint Document Final Document Other
8. Local Action Type 01.											
	velopment		Units	Acres			07. [☐ Mining:		Mineral	
	Office:		Sq.ft.	Acres	Employee			Power:		Туре	Watts
03. [Shor	∟ pping/Comm	ercial:	Sq.ft.	Acres	Employee	es		☐ Waste Tre		Туре	
05. [☐ Industrial: ☐ Water Fac ☐ Transport	cilities:	Sq.ft. MGD Type	Acres	Employee	es	_	☐ OCS Rela ☑ Other:	ited		al Take Permit ned Alteration Agreement
10. TO	STAL .	proximately 1	,176,160 acre	s		1	1. Tota	I Jobs reated	N	4	
01. [02. [03. [04. [05. [06. [07. [☐ Aesthetic/ ☑ Agricultura ☐ Air Quality	Visual al Land / ogical/Historic one : rd	10. ☐ 11. ☐ al 12. ☐ 13. ☑ 14. ☐ 15. ☐	nt Geologic/Seis Jobs/Housing Minerals Noise Public Service Schools Septic Syster Sewer Capac	g Balance es ms	18. 19. 20. 21. 22. 23.	☐ Traffid ☑ Vege ☑ Wate	rosion Waste /Hazardous c/Circulation		26. ⊠ W 27. □ G 28. □ Ir	Growth Inducing Incompatible Land Use Cumulative Effects
13. FL	UNDING (AF	PPROX.)	Federal	\$	0 5	State \$		0	Tota	al\$	

14. Present Land Use and Zoning

Varies. Most of the Program Area is mapped as Prime Agricultural Soils in the Siskiyou County General Plan (1980).

15. Project Description

The name of the project is the Shasta River Watershed-Wide Permitting Program (Program). The Program is designed to implement key coho salmon (*Oncorhynchus kisutch*) recovery tasks while facilitating compliance by agricultural operators and those implementing coho salmon restoration projects with the California Endangered Species Act (CESA) (Fish and G. Code, § 2050 et seq.) and Fish and Game Code section 1602 (section 1602). Compliance with those laws is necessary because both agricultural water diversions and recovery efforts could result in temporary or long-term adverse effects on coho salmon and other stream resources. Currently, agricultural operators in the Shasta River watershed (Program Area) can comply with CESA by applying to CDFG for an individual incidental take permit, and with section 1602 by submitting a notification and obtaining a streambed alteration agreement (SAA). To facilitate such compliance, CDFG and the Shasta Valley Resource Conservation District (SVRCD) developed the Program as an alternative to the standard process an agricultural operator would need to follow to obtain an incidental take permit and SAA.

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Date October 19, 2006

16. SIGNATURE OF LEAD AGENCY REPRESENTATIVE

for **DONALD B. KOCH**, Regional Manager

NOTE: Clearinghouse will assign identification numbers for all new projects. If a SCH number already exists for a project (e.g., from a Notice of Preparation or previous draft document) please fill it in.

REVIEWING AGENCIES

⊠ Resources	☐ Caltrans District #4							
☐ Boating / Waterways	☐ Dept. of Transportation Planning							
□ Conservation	☐ Aeronautics							
☐ Fish and Game	☐ California Highway Patrol							
□ Forestry	☐ Housing and Community Development							
☐ Colorado River Board	☐ Statewide Health Planning							
☐ Dept. Water Resources	Health							
Reclamation	☐ Food and Agriculture							
☐ Parks and Recreation	☐ Public Utilities Commission							
☐ Office of Historic Preservation	☐ Public Works							
	☐ Corrections							
☐ S.F. Bay Conservation and Development Commission	☐ General Services							
☐ Coastal Commission	□ OLA							
☐ Energy Commission	☐ Santa Monica Mountains							
State Lands Commission	□TRPA							
☐ Air Resources Board	☐ OPR – OLGA							
☐ Solid Waste Management Board	OPR – Coastal							
⊠ SWRCB: Sacramento	☐ Bureau of Land Management							
	☐ Forest Service							
Water Rights ■	☐ Other							
☑ Water Quality	☐ Other							
For SCH Use Only:								
Date Received at SCH Cata	og Number							
Date Review Starts App	plicant							
Date to Agencies Con	nsultant							
Date to SCH Con	tactPhone							
Clearance Date Add	Address							
Notes:								