DEQ
Montana Department
of Environmental Quality

January 22, 2015

FINDING OF NO SIGNIFICANT IMPACT

TO ALL INTERESTED GOVERNMENTAL AGENCIES AND PUBLIC GROUPS

As required by state and federal rules for determining whether an Environmental Impact Statement is necessary, an environmental review has been performed on the proposed action below:

Project	Anaconda-Deer Lodge County West Valley Sewer Extension, Phase 2
Location	Anaconda, Montana
Project Number	WPCSRF Project# C302243
Total Cost	$4,031,417

Anaconda-Deer Lodge County (ADLC), through a December 2012 Preliminary Engineering Report (PER) and 2014 PER Update, assessed the condition of its existing sewer collection system and wastewater treatment plant (WWTP). The PER evaluated wastewater collection and treatment alternatives for the valley area immediately west of Anaconda's city limits, commonly referred to as the West Valley. In 2014 Phase 1 of the West Valley sewer extension was completed and extended Anaconda's municipal sewer collection system to Theatre Drive on the eastern edge of the West Valley town site.

The West Valley has historically been served by individual wells and on-site wastewater systems, which are commonly located in coarse-grained soils and shallow groundwater areas. The 2012 PER and 2014 Update both recognize the potential health threat to domestic wells and Anaconda's downgradient public water supply wells due to these on-site wastewater systems.

Phase 2 will extend the new West Valley sewer main into the West Valley town site for potential connection of approximately 250 homes. The proposed Phase 2 West Valley sewer extension will be connected to the terminus of the Phase 1 sewer main at Theatre Drive and will consist of 3.8 miles of sewer pipe located almost completely within the alleys of existing development.

Federal and State grant/loan programs will fund the project. Environmentally sensitive characteristics such as floodplains, threatened or endangered species, and historical sites are not expected to be adversely impacted as a result of the proposed project. Public participation

during the planning process demonstrated support for the selected alternative. No significant long-term environmental impacts were identified. An environmental assessment, which describes the project and analyzes the impacts in more detail, is attached to this Finding of No Significant Impact.

These documents are available for public scrutiny at the following locations:

Department of Environmental Quality
1520 East Sixth Avenue
P.O. Box 200901
Helena, MT 59620-0901

Anaconda-Deer Lodge County Courthouse
800 South Main
Anaconda, MT 59711

Comments supporting or disagreeing with this decision may be submitted for consideration by the Department of Environmental Quality. After evaluating the comments received, the agency will make a final decision. However, no administrative action will be taken on the project for at least 30 calendar days after release of the Finding of No Significant Impact.

Sincerely,

Todd Teegarden

Todd Teegarden, Bureau Chief
Technical and Financial Assistance Bureau
Planning, Prevention & Assistance Division

Anaconda-Deer Lodge County West Valley Sewer Extension Phase 2
ENVIRONMENTAL ASSESSMENT

I. COVER SHEET

A. PROJECT IDENTIFICATION

Name of Project:	Anaconda – Deer Lodge County West Valley Sewer Extension Phase 2
Applicant:	Anaconda-Deer Lodge County
Address:	County Courthouse 800 South Main Anaconda, MT 59711
Project Number:	C302243

B. CONTACT PERSON

Name:	Connie Ternes Daniels, Interim Chief Executive
Address:	County Courthouse 800 South Main Anaconda, MT 59711
Telephone:	(406) 563-4000

C. ABSTRACT

Anaconda-Deer Lodge County (ADLC), through a December 2012 Preliminary Engineering Report (PER), assessed the condition of its existing sewer collection system and wastewater treatment plant (WWTP) and evaluated wastewater collection and treatment alternatives for the valley area immediately west of Anaconda's city limits, commonly referred to as the West Valley. Phase 1 of the West Valley sewer extension was completed this past year and extended Anaconda's municipal sewer collection system to Theatre Drive on the eastern edge of the West Valley town site.

In October of 2014, the PER was updated to evaluate how the new Montana Groundwater Pollution Control System (MGWPCS) permit for the wastewater holding ponds and infiltration/percolation beds located south of Lost Creek affects planning for the various wastewater system components. An alternative analysis for needed wastewater treatment plant upgrades was presented. The PER Update also analyzed whether to locate the West Valley Phase 2 sewer mains in the alleys or in the streets of the West Valley town site.

The West Valley has historically been served by individual wells and on-site wastewater systems, which are commonly located in coarse-grained soils and shallow groundwater areas. The 2012 PER and 2014 Update both recognize the potential health threat to domestic wells and Anaconda's downgradient public water supply wells due to these on-site wastewater systems. Twenty-three of the 45 potential West Valley Phase 1 sewer service connections were made in 2014. Phase 2 extends the new West Valley sewer main into the West Valley town site for connection of approximately 250 homes. The proposed Phase 2 West Valley sewer extension will be connected to the terminus of the Phase 1 sewer main at Theatre Drive and will consist

of 3.8 miles of sewer pipe located almost completely within the alleys of existing development. There are an additional 70 homes in the North Cable Road area and another 60 homes along Highway 1 that may also be serviced by a West Valley sewer extension in the future. The Phase 2 project is proposed for construction in early 2015 and is the topic of this environmental assessment.

The Anaconda-Deer Lodge County (ADLC) West Valley Sewer Extension Phase 2 project has an estimated project cost of $4,031,417. The project will be financed through a Treasure State Endowment Program (TSEP) Planning Grant of $15,000.00; ADLC wastewater/sewer funds in the amount of $515,987.00; and a Montana Water Pollution Control State Revolving Fund (WPCSRF) Program 20-year loan in the amount of $3,500,430 with an interest rate of 2.5%.

Environmentally sensitive characteristics such as floodplains, threatened or endangered species and historical sites are not expected to be adversely impacted as a result of the proposed project. Additional environmental impacts related to land use, water quality, air quality, public health, energy, noise, and growth were also assessed. While short-term impacts such as dust and noise may occur during construction activities, no significant long-term environmental impacts are expected. Replacement of West Valley on-site wastewater systems with a new sewer collection system and treatment of wastewater at the City of Anaconda's wastewater treatment plant will protect groundwater and surface water quality.

Under Montana law, (75-6-112, MCA), no person may construct, extend, or use a public sewage system until the DEQ has reviewed and approved the plans and specifications for the project. Under the Montana Water Pollution Control State Revolving Fund Act, the DEQ may loan money to municipalities for construction of public sewage systems.

The DEQ Technical and Financial Assistance (TFA) Bureau, has prepared this Environmental Assessment (EA) to satisfy the requirements of the National Environmental Policy Act (NEPA) and the Montana Environmental Policy Act (MEPA).

D. COMMENT PERIOD

Thirty (30) calendar days.

II. PURPOSE OF AND NEED FOR ACTION

The City of Anaconda is served by a public wastewater treatment plant (WWTP) located east of the city. The WWTP was constructed in 1984 and consists of a headworks facility and two aerated lagoon cells. The wastewater treatment plant was sized to include future flows from the community of Opportunity and the valley area west of Anaconda, referred to as the West Valley. It was designed for a population in excess of 11,000 with a 2.5 mgd design flow. In 1991 a spray irrigation system and rapid infiltration cells were approved by the Department for disposal of lagoon effluent. The population currently handled by the wastewater system is approximately 5,500.

The homes and businesses in the valley west of Anaconda are currently served by individual wells and onsite wastewater treatment systems. This West Valley area is located upgradient of Anaconda's public water supply wells and there is concern that contaminants from drainfields in the West Valley could negatively impact the city's drinking water supply. Anaconda's wellfield is located in one of the few areas available near the community where an adequate volume of high-quality groundwater can be developed and the city recognizes the need to protect this valuable resource. Another concern is that the individual wells serving homes and businesses in the West Valley area could be contaminated by surrounding onsite wastewater systems. The coarse-grained soils and high groundwater conditions that are prevalent in the West Valley area are not conducive to providing the most effective on-site wastewater treatment.

The recently completed Phase 1 West Valley project extended Anaconda's municipal sewer collection system westward from city limits to Theatre Lane on the eastern edge of the West Valley town site, allowing for elimination of 23 individual drainfield systems and one larger system for a 22-unit trailer court.

The proposed Phase 2 West Valley project extends the sewer main from the terminus of Phase 1 in Theatre Lane into the West Valley town site through construction of approximately 3.8 miles of PVC gravity sewer pipe. There are approximately 230 individual on-site wastewater systems on mostly 1/3-acre lots that will be served by the West Valley sewer main extension.

In accordance with Anaconda-Deer Lodge County Ordinance No. 33, homeowners are required to connect to the new sewer extension at their own expense. They are also required to decommission their septic tanks. The estimated total cost to the homeowner is $2,000 to $4,000, depending on site conditions at each house. In order to assist low-to-moderate income homeowners with this expense, the ADLC is applying for financial assistance from the Community Block Grant Program. They are also investigating partial funding of homeowner service connections through a Department of Natural Resources and Conservation (DNRC) Private Grant Program and setting up a low-interest loan program of their own.

Notice will soon be given to the remaining unconnected Phase 1 homeowners, giving them until winter freeze-up in 2017 to connect. The ADLC plans to have 211 of the 230 total Phase 2 service connections completed within this same timeframe. These are the homes on 1/3-acre lots. The remaining 19 service connections serve larger lots that have more expensive service connections. In fairness to these homeowners, they will be given until winter freeze-up in 2019 to connect.

III. ALTERNATIVES INCLUDING THE PROPOSED ACTION

Two alternatives for laying sewers within the West Valley Phase 2 project area were considered in the 2014 Anaconda-Deer Lodge County West Valley Sewer Extension Preliminary Engineering Report (PER) Update. These are listed below as alternatives 1 and 2. The No Action alternative was considered in the 2012 PER and is presented here as Alternative 3.

A. ALTERNATIVE 1: Location of Sewer Mains in the Alleys
This alternative consists of 20,200 lineal feet of PVC sewer pipe laid in the alleys of the West Valley town site. This is a viable option and will be given further consideration.

B. ALTERNATIVE 2: Location of Sewer Mains in the Streets
This alternative consists of 20,950 lineal feet of PVC sewer pipe laid in the streets of the West Valley town site. This is a viable option and will be given further consideration.

C. ALTERNATIVE 3: No Action
Under the no-action alternative, all existing and future development in the West Valley town site would rely on onsite systems for wastewater treatment and disposal and the continued threat to Anaconda's public water supply would remain. Within the last year, the Anaconda-Deer Lodge County (ADLC) wastewater collection system was extended into the West Valley to Theatre Drive, as a result of the planning process detailed in the 2012 ADLC West Valley PER. Extension of the sewer mains westward from Theatre Drive into the West Valley town site has been identified as Phase 2 in the planning process. Increases to sewer rates and charges have already been approved to finance this planned sewer extension. Therefore, the no-action alternative is not considered to be a viable option.

IV. COST COMPARISON FOR ALTERNATIVES

Comparison of the cost effectiveness of engineering alternatives is generally based on a present worth analysis, which considers the capital cost, salvage value, and long-term operation and maintenance costs of each alternative. Since the only viable alternatives for the West Valley Phase 2 project were whether to locate the sewers in the streets or in the alleys, operation and maintenance costs and salvage values are essentially the same for both alternatives. Therefore, only capital costs were compared within the 2014 Anaconda-Deer Lodge County West Valley Sewer Extension Preliminary Engineering Report (PER) Update. Costs were estimated from other similar projects and supplier quotes, and adjusted to anticipated site conditions.

TABLE 1 – WEST VALLEY PHASE 2 SEWER EXTENSION COST ESTIMATES

Alternative	Capital Cost
Sewer Location in Streets	$3,030,000
Sewer Location in Alleys	$3,340,000

V. BASIS OF SELECTION OF PREFERRED ALTERNATIVE

As explained in Section III of this environmental assessment, only two viable alternatives were considered: (1) location of sewers in the street and (2) location of sewers in the alleys. The following factors were evaluated in the alternative analysis:

- Property owner preference.
- Water well setback distance.
- Conflicts with other utilities.
- Gravity drainage capability.
- Capital cost.
- Property owner cost.

In order to gather information on the first four factors, field surveys and property owner interviews were conducted. Following is a short narrative of the results:

- Of the 223 parcels within the West Valley Homes Tracts and Valley View Homes areas, 153 of the homeowners favored locating the sewer mains in the alleys.
- There were less conflicts with the required 50-foot setback distance from individual water wells when sewer mains were located in the alleys.
- There are significantly more utilities located in the alleys as compared to the streets; however, they do not preclude installation of the sewer main there.
- Sewer mains 8 to 9 feet deep will allow gravity drainage for all parcels, with the vast majority of parcels being able to be served by gravity with a sewer depth of 6 to 7 feet.

Capital costs provided in Section III above show that it is 10% more expensive to locate the sewer in the alleys as in the streets, largely due to utility conflicts and more confined construction activity. While sewer main costs will be paid by ADLC within public right-of-way, sewer service lines on private property are the responsibility of the homeowner. Since the majority of septic tanks are located in backyards, connection to sewers in the alleys would be shorter and more direct, and therefore less expensive. The estimated cost for a service connection to the alley and decommissioning of the septic tank is $2,000 to $2,500, while the cost to the homeowner for a street connection is estimated at $3,500 to $4,000.

The following table summarizes the seven evaluation criteria and whether they favor streets or alleys:

WEST VALLEY PHASE 2 EVALUATION SUMMARY		
CRITERIA	**FAVORS STREETS**	**FAVORS ALLEYS**
Property Owner Preference		X
Water Well Setback Distance		X
Conflicts with Other Utilities	X	
Gravity Drainage	X	X
Capital Cost	X	
Property Owner Cost		X

The preferred alternative for the West Valley Phase 2 sewer extension is location of the sewer mains in the alleys. The slightly higher cost to construct the sewer mains in the alleys is outweighed by the concerns and preference of the homeowners. Benefits

of an alley connection to the homeowners is less cost; less disturbance and impacts to private property; shorter, more direct service line; and less conflicts with private water wells.

The Anaconda-Deer Lodge County (ADLC) West Valley Sewer Extension Phase 2 project has an estimated project cost of $4,031,417. The project will be financed by a $15,000 Treasure State Endowment Program (TSEP) Planning Grant; $515,987 from the ADLC wastewater/sewer fund; and a Montana Water Pollution Control State Revolving Fund (WPCSRF) Program 20-year loan in the amount of $3,500,430 at an interest rate of 2.5%.

ADLC's sewer fees are billed to customers on semiannual property tax notices. A $5.25 ADLC monthly residential sewer rate had been in place since 1984. The Preliminary Engineering Report (PER) recommended, and the ADLC Commissioners approved, a three-tiered residential sewer rate increase in $7.00/month increments for the years 2013, 2014, and 2015, with a resulting overall increase of $21.00 per month. This represents a 400% increase over the historical residential sewer rate. Commercial sewer rates were approved for increase by the same percentage. The sewer rate increase is necessary to build a reserve fund to finance not only the West Valley project, but other needed wastewater system improvements.

After the third $7.00 rate increase is put into place, the new residential sewer rate will be $315/year (26.25/month), which is approximately 0.89% of the annual median household income of $35,310. Based on Environmental Protection Agency guidance for project affordability, the proposed monthly sewer fee per household is not expected to impose an economic hardship for Anaconda sewer users.

VI. AFFECTED ENVIRONMENT

A. PLANNING AREA/MAPS

The City of Anaconda is located along Montana Highway 1, approximately seven miles west of its easternmost intersection with I -90. The West Valley planning area is generally described as the valley area immediately west of the City of Anaconda along Highway 1. All land within the planning area is outside city limits, and as such does not have zoning. The West Valley planning area is shown in Figure 2. It is bounded by the City of Anaconda to the east, with this eastern boundary running along Linden Street from Lincoln Avenue north to North Cable Road. The northern boundary of the study area is bounded by residential areas on the north side of North Cable Road and within Geary, Stucky, Levengood, and English gulches. The western boundary of the study area is bounded by Phillips Lane, from North Cable Road to the south side of Highway 1, and includes the developed areas on the west side of the lane. The southern boundary of the planning area runs from Phillips Lane down Stump Town Road to the main channel of Warm Springs Creek and along the creek to the residential area on Bridge Lane, where it veers south to include the residences on Bridge and Lescantz lanes and then connects to Linden Street at the eastern boundary.

Phase 2 of the West Valley sewer extension project is shown in Figure 3. It begins where Phase 1 ends at a manhole in Theatre Lane just north of Montana Highway 1 and continues into the West Valley townsite area. Approximately 250 individual

drainfield systems are located within the Phase 2 portion of the West Valley area.

Figure 1 shows the general location of the County of Anaconda-Deer Lodge within the State of Montana. Figure 2 shows the West Valley project study area. Figure 3 shows a schematic layout of the City of Anaconda's existing municipal wastewater system. Figure 4 shows the proposed layout of sewer mains in the West Valley Phase 2 project.

B. POPULATION

The community of Anaconda was built around the mining operations that dominated the area prior to the 1980s. Since cessation of mining operations, the population in the area has steadily declined. A population loss of 16.5% for the years between 2000 and 2030 was projected for the County in 2008. However, recent population projections indicate a complete reversal of this trend, with a projected increase of 16.3% from 2015 to 2035. There are 6,694 people currently served by Anaconda's public wastewater system or located within the West Valley planning area. With a net annual growth rate of 0.8% (or 16.3% cumulative), the projected 2035 population is 7,790 people.

The 2012 Anaconda-Deer Lodge County West Valley Sewer Extension Final Preliminary Engineering Report (PER) identifies the 2011 population of the West Valley study area as 1,270 individuals. The West Valley design population for the year 2033 is estimated to be 2,040, based on 1% growth within the West Valley townsite, 2% growth along Montana Highway 1, and 5% growth for the North Cable Road area. The Phase 2 (West Valley townsite) 2033 design population is estimated to be 695.

C. FLOW PROJECTIONS

The existing Anaconda WWTP was designed for an average daily flow of 3.0 MGD from May through September and an average daily flow of 2.5 MGD from October through April. These flows included capacity for wastewater from anticipated future sewer extensions to the West Valley and Opportunity. The current average wintertime daily flow to Anaconda's wastewater treatment plant (WWTP) is 0.89 MGD and the current average summertime daily flow is 1.13 MGD.

With a West Valley Phase 2 design population of 695 and 100 gallons per capita per day of wastewater generation per person, as required in Montana's standards, the proposed expansion will result in an additional 69,500 gpd of wastewater. This flow can be handled by the existing downgradient wastewater collection system and the wastewater treatment plant.

D. NATURAL FEATURES

The City of Anaconda is located along Warm Springs Creek in southwestern Montana near the Continental Divide. Warm Springs Creek originates in the Flint Creek Range from snowmelt, flows northeasterly through the city and, joins with the Clark Fork River approximately 10.5 miles away. Warm Springs Creek is classified as A-1 by the State of Montana from its headwaters to Meyers Diversion, located within the study area. Waters classified A-1 are to be maintained suitable for drinking, culinary and food processing purposes after conventional treatment for removal of naturally present

impurities. Water quality must be maintained suitable for bathing, swimming, and recreation; growth and propagation of salmonid fishes and associated aquatic life, waterfowl and furbearers; and agricultural and industrial water supply. All of the surface water found within the study area is part of the Upper Clark Fork Drainage Area.

The West Valley project area is located immediately west of Anaconda within the gradually sloped, narrow valley of Warm Springs Creek. Elevations within the area are between 5,360 to 5,800 feet above sea level. Development is generally confined to the creek bottom and the lower slopes of the surrounding hills. Mountains tower around the valley, with some as high as 10,000 feet. The Anaconda-Pintlar Range lies to the south of Anaconda and the Flint Creek Range lies to the northwest.

Underlying bedrock consists of a variety of granitic, volcanic, sedimentary, and metamorphic rocks, as a result of several major mountain-building episodes followed by subsurface magma intrusions. In later times, the West Valley was shaped by glaciers originating in the Flint Creek Range. Consequently, the predominant surface geology is comprised of glacial and alluvial deposits. The predominant soil type is loam containing significant amounts of gravel, cobbles, and sand.

Groundwater in the West Valley is comprised of an upper, unconfined Quaternary alluvium aquifer and a Tertiary aquifer of alternating sands, clayey sands, and clay layers. Groundwater flow in the upper aquifer is to the southeast, which is the same direction as surface water drainage. Groundwater depth varies throughout the year in the West Valley Phase 2 project area, with seasonal highs occurring from mid-Spring to the end of summer. Some dewatering may be required during construction.

Anaconda's climate is classified as a semi-arid inland mountain climate. A major influence on local weather is the interception of moisture by the surrounding mountains. Annual precipitation is 15 inches per year.

VII. ENVIRONMENTAL IMPACTS OF PROPOSED PROJECT

A. DIRECT AND INDIRECT ENVIRONMENTAL IMPACTS

1. Land Use/Prime Farmland – The land within the West Valley town site and on the south side of Montana Highway 1 within the project area is primarily classified as a combination of low and high density residential development. Outside of the proposed sewer district boundary, but within the planning area boundary, there is some peripheral residential development and also some undeveloped land. The predominant agricultural land use classification within this open area is hay production, with some land allocated to grazing. Only a small percentage of the land is irrigated.

   This project will be constructed within previously disturbed right-of-ways and will have no negative impacts on agricultural lands. The site will be restored to existing conditions when construction is complete.

2. Floodplain – Sewer main construction encroaches on the 100-year floodplain boundary on Warren Street and on Mount Haggin Drive. Crossing into these floodplain areas is unavoidable and will require a permit from the Anaconda-Deer Lodge County (ADLC)

Floodplain Administrator before construction begins. Manhole covers within the 100-year floodplain are designed to have watertight rings and covers.

3. Wetlands – Construction occurs wholly within developed streets and alleys and therefore no wetlands are impacted.

4. Superfund Issues – The project site is located within the boundaries of the Anaconda Regional Water, Waste and Soils Operable Units to the Anaconda Smelter National Priorities List Site. Atlantic Richfield (AR) has remediated several properties within the proposed project area. During construction, on-site sampling of disturbed soils will be conducted to determine if arsenic or lead concentrations exceed allowable levels. The project specifications state the required procedures should any mine waste materials be encountered during trench excavation.

5. Vegetation –This project does not encroach on agricultural land. Any vegetation disturbed during construction will be reseeded.

6. Cultural Resources –Because the proposed sewer route will be located within previously disturbed right-of-way and will not impact structures over fifty years of age, there is low likelihood that cultural properties would be impacted.

7. Fish and Wildlife – The elimination of on-site wastewater systems will reduce the amount of pathogens, nutrients, and other contaminants reaching waters within the Clark Fork watershed, thereby improving environmental quality for fish and wildlife. Warm Springs Creek has been identified as critical bull trout habitat. Westslope cutthroat trout are also a species of concern in the project area. State and federal agency permitting requirements will require that construction practices protect fish habitat. Boring under stream segments, as currently proposed for two crossings, will help to protect the fishery.

   Although some larger mammal species with a federal status of sensitive or threatened can be found in the general West Valley region, these mammals do not frequent immediately along the highway, where the proposed project is located. No adverse impacts to wildlife are foreseen.

8. Water Quality – Water quality in the area will improve due to the proposed project. There are currently not central wastewater collection or water distribution systems in the West Valley. Individual on-site wastewater systems and wells serve the homes and commercial businesses. Coarse-grained soils and shallow groundwater depth found within the West Valley area are not conducive to providing effective wastewater treatment. Most local wells utilize the vulnerable upper alluvial aquifer as their water source. In addition to being within close proximity of many individual domestic wells, the West Valley on-site wastewater systems are upgradient of the Anaconda-Deer Lodge County's public water supply wells. Replacement of septic tank and drainfield systems with public sewer service will help protect local water quality from contamination by pathogens, pharmaceuticals, and nutrients. The implementation of best management practices will protect any nearby surface streams from stormwater runoff during construction.

9. Air Quality – Short-term negative impacts on air quality will occur during construction in the form of dust and fumes from heavy equipment. Proper construction practices, such as watering of the soils, will minimize the problem. The contractor will be responsible

for dust control throughout the project. No long-term air quality effects would result from any of this work.

10. Public Health – Public health will not be negatively affected by the project. The project will replace on-site wastewater systems with sewer service to Anaconda-Deer Lodge County's wastewater treatment facility. This will greatly reduce the potential to pollute ground and surface waters in the West Valley area.

11. Energy – A direct short-term impact of energy resources will be consumed during the construction phase. The project will have no long-term effect on energy consumption.

12. Noise – Short-term impacts from excessive noise levels may occur during the construction activities. The construction period will be limited to normal daytime hours to avoid early morning or late evening construction disturbances. No significant long-term impacts from noise will occur.

13. Sludge Disposal – As part of this project, individual septic tanks will be abandoned in areas where service lines are extended. The existing septic tanks will be pumped and abandoned by filling them with sand. A licensed septic tank pumper will be contracted to pump each tank and dispose of the contents in accordance with Montana's septage disposal regulations.

14. Growth – The Anaconda area has seen an overall loss in population since mining operations ceased around the 1980s. In 2008 a population decline of 16.5% was projected by the Montana Department of Commerce for Deer Lodge County over the 2000 to 2030 planning period. However, recent population projections indicate a complete reversal of this trend, with a projected increase of 16.3% from 2015 to 2035. Growth west of Anaconda has been specifically limited due to the lack of a central wastewater system and environmental site limitations inhibiting construction of new on-site wastewater systems. Once public sewer is extended to the West Valley area, some growth adjacent to the West Valley townsite and along Highway 1 and North Cable Road is expected. Within the West Valley planning area, population is expected to grow at a rate of 1% within the West Valley townsite, 2% along the Highway 1 frontage, and 5% in the North Cable Road area.

    Construction of a central collection system in the West Valley may promote more dense development than currently exists. Future density, however, can be controlled with proper zoning.

15. Environmental Justice – Environmental Justice Executive Order 12898: The proposed project will not result in disproportionately high or adverse human health or environmental effects on minority or low income populations. The financial impact of this project is supported by a proposed sewer rate increase, which will be first realized on the semiannual property taxed notice in November 2013. No disproportionate effects among any portion of the community would be expected.

16. Cumulative Effects – Extension of Anaconda's public wastewater service into the West Valley may result in secondary and/or cumulative impacts due to growth of the community and expansion of the service area. Secondary impacts associated with housing, commercial development, solid waste, transportation, utilities, air quality, water utilization, and possible loss of agricultural and rural lands may occur. These

secondary impacts are uncertain at this time and therefore cannot be directly addressed in the EA. However, these impacts will need to be managed and minimized as much as possible through proper community planning. There are several existing city, county and state regulations already in place (i.e., zoning regulations, Anaconda-Deer Lodge County Development Permit, comprehensive planning, subdivision laws, etc.) that control the density and development of property with regards to water supply, sewage disposal, solid waste disposal, transportation, and storm drainage.

17. Wild and Scenic Rivers Act – The proposed project will not impact any rivers designated as wild and scenic by Congress or the Secretary of the Interior.

B. UNAVOIDABLE ADVERSE IMPACTS

Short-term construction-related impacts (i.e., noise, dust, etc.) will occur, but will be minimized through proper construction management. Energy consumption during construction cannot be avoided.

VIII. PUBLIC PARTICIPATION

Interest in a West Valley sewer extension project first began to develop in 2003. During that period 123 people signed a petition expressing interest in the project and asking Anaconda-Deer Lodge County (ADLC) to create a Rural Special Improvement District. A ten-member, volunteer West Valley Task Force was formed and held a community update meeting at Smitty's Barn on October 10, 2003 to present the plan to extend sewer service from Anaconda to West Valley residents. In September 2004 the West Valley Task Force distributed a survey/questionnaire to the 310 property owners within the proposed sewer district boundary, which included the West Valley town site, the Highway 1 corridor from Anaconda to the West Valley town site, and a portion of North Cable Road just west of Anaconda. The survey's purpose was to determine the general condition of the existing on-site wastewater systems, request permission for domestic well sampling, and to assess local willingness to connect to Anaconda's public wastewater system. The response rate to the survey/questionnaire was 50%.

Since interest in a West Valley sewer main extension was first expressed, the public has been kept informed of the proposed wastewater improvements project though newspaper articles in *The Anaconda Leader and The Montana Standard.* Identical informational public meetings on the proposed West Valley Sewer Extension Project were held on Tuesday, September 27, 2012, in the County Courthouse and Wednesday, October 3, 2012, at the Anaconda Riding Club Center. The presentations provided background information on the history of the wastewater system, the upcoming discharge permit, and the condition of the existing Anaconda-Deer Lodge County wastewater system. The discussion then focused on the West Valley Sewer Extension Project and its associated costs and how this project was prioritized with respect to the other needed wastewater improvements.

A public hearing regarding the intent of the ADLC to increase existing sewer rates was held on April 9, 2013 in the Anaconda courthouse courtroom. A financial analysis of the wastewater/sewer fund and an overview of the proposed wastewater improvements, including the West Valley sewer main extension, were presented. The courtroom was full and 23 people gave public comment. The main concern was that the 400 percent sewer rate increase was occurring over too short a period and might be a hardship for those on a fixed or low income.

More recently and more specific to the West Valley Phase 2 project, PowerPoint presentations were given by ADLC's contracted engineer at several regular commission meetings, which are open to the public. Topics presented were (1) evaluation of where to locate the sewer mains in the West Valley Phase 2 project (streets or alleys) – September 9, 2014, (2) the West Valley Sewer Extension Preliminary Engineering Report (PER) Update – September 23, 2014, and (3) the Carl Brown Sewer Rate Study – November 10, 2014. The PER Update PowerPoint presentation was also given to the Anaconda Health Board on December 18, 2014. All of the meetings were poorly attended by the public.

IX. AGENCY ACTION, APPLICABLE REGULATIONS AND PERMITTING AUTHORITIES

All proposed improvements will be designed to meet state standards in accordance with Circular DEQ-2 and will be constructed using standard construction methods. Best management practices will be implemented to minimize or eliminate pollutants during construction. No additional permits will be required from the State Revolving Fund (SRF) section of the DEQ for this project after the review and approval of the submitted plans and specifications. However, coverage under the storm water general discharge permit and groundwater dewatering discharge permit, are required from the DEQ Water Protection Bureau prior to the beginning of construction. A 124 Permit from the Department of Fish, Wildlife and Parks, a 404 Permit from the U.S. Corps of Engineers, and a 318 Authorization from the Department of Environment Quality will be required for any work that occurs in a streambed or wetland, and will be obtained if necessary.

The construction contractor shall be required to obtain a Development Permit from Anaconda-Deer Lodge County in regards to contaminated soils resulting from historic mining activities prior to the start of construction.

X. REFERENCE DOCUMENTS

The following document was utilized in the environmental review of this project and is considered to be part of the project file:

1. Anaconda-Deer Lodge County West Valley Sewer Extension Final Preliminary Engineering Report, DOWL HKM, December 2012.

2. Anaconda-Deer Lodge County West Valley Sewer Extension Preliminary Engineering Report Update, DOWL HKM, October 2014.

3. Anaconda-Deer Lodge County West Valley Sewer Extension – Phase 2, Engineering Report; DOWL HKM; December 3, 2014.

4. West Valley Sewer Extension Phase 2 Sewer Main Location Evaluation Report; DOWL HKM; PowerPoint presentation at Anaconda-Deer Lodge County Commissioners meeting; September 9, 2014.

XI. AGENCIES CONSULTED

The following agencies have been contacted in regard to the proposed construction of this project:

1. The Montana Department of Fish Wildlife and Parks (FWP). FWP did not foresee any significant adverse effects on fish or wildlife resources or their habitat relating to the proposal. FWP notes that abandonment of West Valley septic tanks and drainfields is likely to provide a measureable benefit to local water quality.

2. The United States Fish and Wildlife Service (FWS). FWS does not anticipate adverse effects to threatened, endangered, or candidate species or critical habitat resulting from the proposed project. FWS noted that any wastewater improvements that would enhance the quality of effluent reaching waters of the United States are likely to prove beneficial to fish, wildlife, and habitat resources.

3. Montana State Historic Preservation Office (SHPO). SHPO has indicated that as long as the project occurs within previously disturbed right-of-way and there will be no disturbance to structures over fifty years old, there is a low likelihood that cultural resources will be impacted. SHPO determined that a cultural resource inventory is unwarranted at this time. If any cultural materials are discovered during the project, the SHPO office should be contacted and the site investigated.

4. The United States Army Corps of Engineers (COE). The COE determined that the project did not appear to impact any waters of the United States and therefore a Department of the Army permit would not be required.

5. Department of Natural Resources and Conservation (DNRC). DNRC noted that portions of the proposed project are located in an Approximate Zone A special flood hazard area and recommended that the Anaconda-Deer Lodge County Floodplain Administrator be contacted to discuss the project and confirm the permitting requirements. A permit from the Anaconda-Deer Lodge County (ADLC) Floodplain Administrator will be obtained before construction in the floodplain begins.

Recommendation for Further Environmental Analysis:

[ ] EIS [ ] More Detailed EA [X] No Further Analysis

Rationale for Recommendation: Through the Anaconda-Deer Lodge County West Valley Sewer Extension Final Preliminary Engineering Report (DOWL HKM, December 2012), the Anaconda-Deer Lodge County West Valley Sewer Extension Preliminary Engineering Report Update (DOWL HKM, October 2014), and the public process involved, the County of Anaconda-Deer Lodge determined that continuation of the West Valley sewer main extension, with location of the new sewer mains within the alleys (rather than the streets) is the preferred alternative for the Phase 2 sewer project. Through this EA, the MDEQ has verified that none of the adverse impacts of the proposed wastewater improvements project are significant; therefore an environmental impact statement is not required. The environmental review was conducted in accordance with the Administrative Rules of Montana (ARM) 17.4.607, 17.4.608, 17.4.609 and 17.4.610. This EA is the appropriate level of analysis because none of the adverse effects of the impacts are significant. A Finding of No Significant Impact (FONSI) will be issued and legally advertised in the local newspaper and distributed to a list of interested agencies. Comments regarding the project will be received for 30 days before final approval is granted.

EA Prepared by:

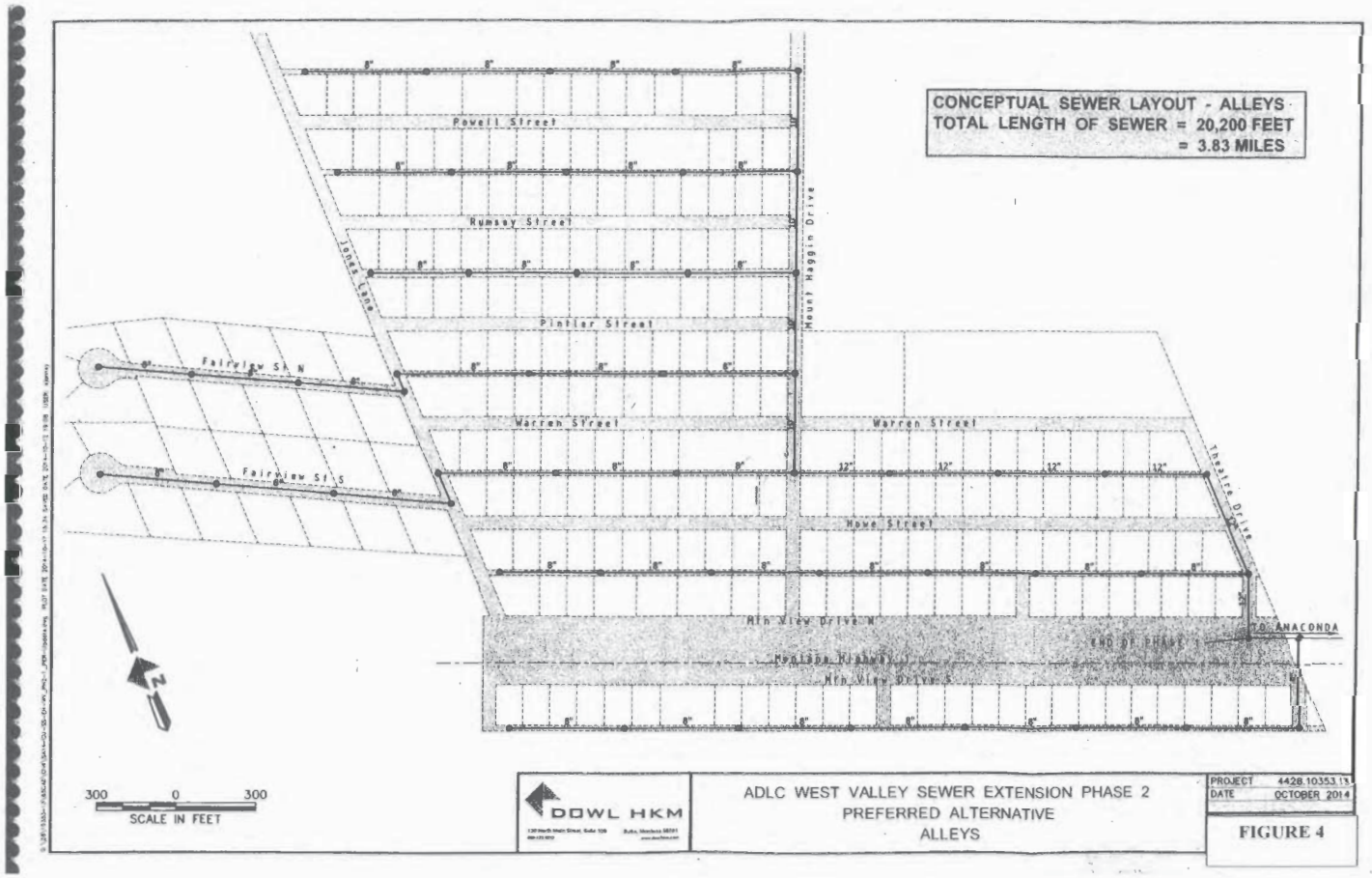
Michele Marsh, P.E. — Date: 1-20-15

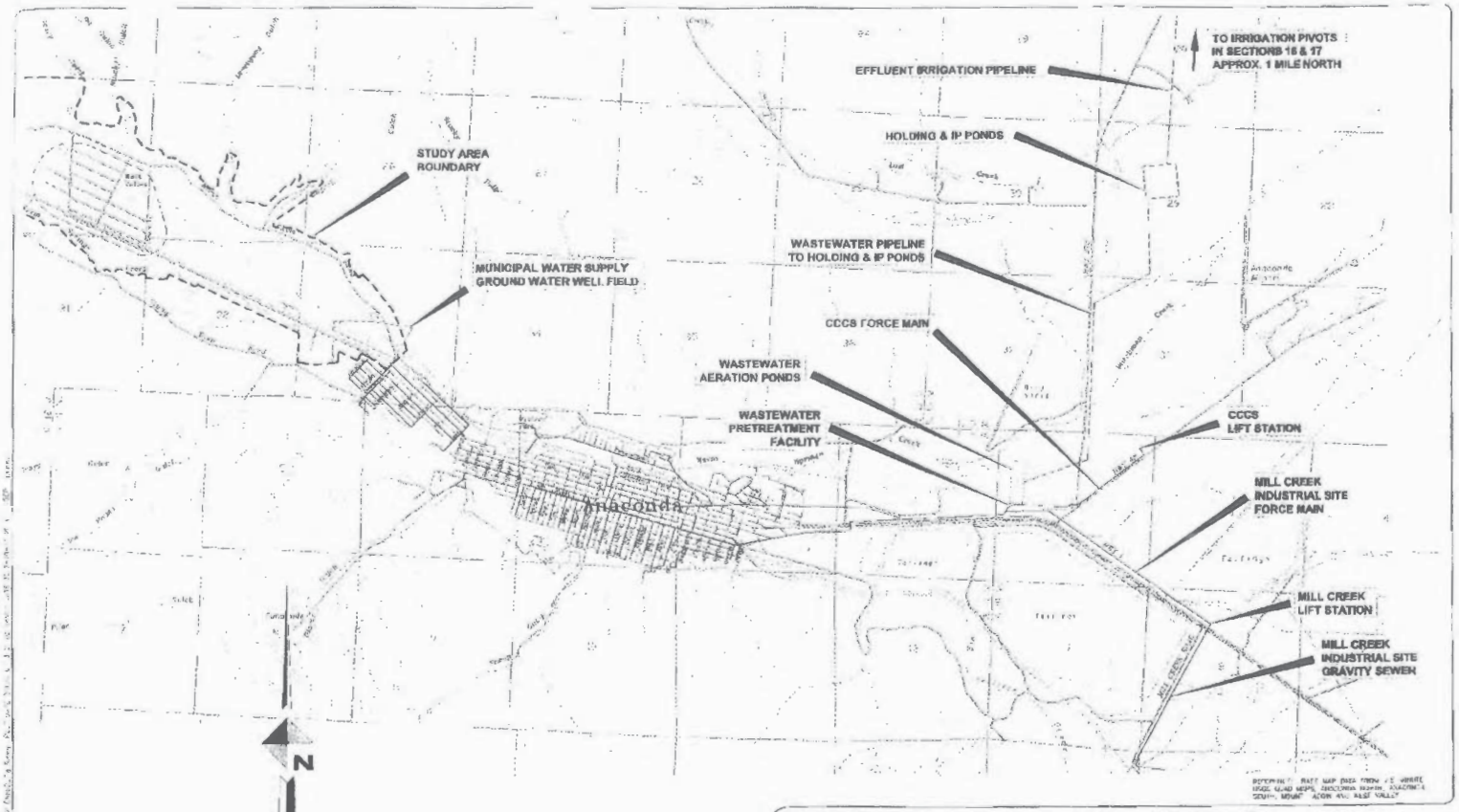
EA Approved by:

Mike Abrahamson, P.E. — Date: 1/20/15


Cranbrook
CANADA
Bonners Ferry
Eureka
GLACIER NATIONAL PARK
Cut Bank
Shelby
Browning
Havre
Malta
Glasgow
Scobey
NORTH DAKOTA
Williston
Sandpoint
Libby
Kalispell
Fort Peck
Wolf Point
Sidney
Coeur d'Alene
Thompson Falls
Choteau
Fort Benton
Great Falls
Kellogg
Polson
Jordan
Glendive
Beach
IDAHO
Missoula
Lewistown
White Sulphur Springs
Helena
Orofino
Harlowton
Roundup
Miles City
Baker
Bowman
Hamilton
Anaconda
Butte
Grangeville
Laurel
Billings
Hardin
Bozeman
Livingston
Broadus
SOUTH DAKOTA
Buffalo
Anaconda-Deer Lodge
0 40 mi
Dillon
Red Lodge
McCall
WYOMING
Sheridan
Belle Fourche
YELLOWSTONE NATIONAL PARK
Lovell
Cascade
West Yellowstone
Challis
Cody
Sundance
Spearfish
Lead
Buffalo
Gillette
Newcastle

FIGURE 1


CONCEPTUAL SEWER LAYOUT - ALLEYS
TOTAL LENGTH OF SEWER = 20,200 FEET
= 3.83 MILES
Powell Street
Ramsay Street
Pintler Street
Warren Street
Warren Street
Howe Street
Fairview St N
Fairview St S
Mount Haggin Drive
Isaac Lane
Theatre Drive
Alh View Drive N
Alh View Drive S
TO ANACONDA
END OF PHASE 1
300 0 300
SCALE IN FEET
DOWL HKM
ADLC WEST VALLEY SEWER EXTENSION PHASE 2
PREFERRED ALTERNATIVE
ALLEYS
PROJECT 4428.10353.13
DATE OCTOBER 2014
FIGURE 4



WEST VALLEY SEWER EXTENSION PER
SCHEMATIC LAYOUT OF CITY OF ANACONDA
EXISTING MUNICIPAL WASTEWATER SYSTEM

FIGURE 3

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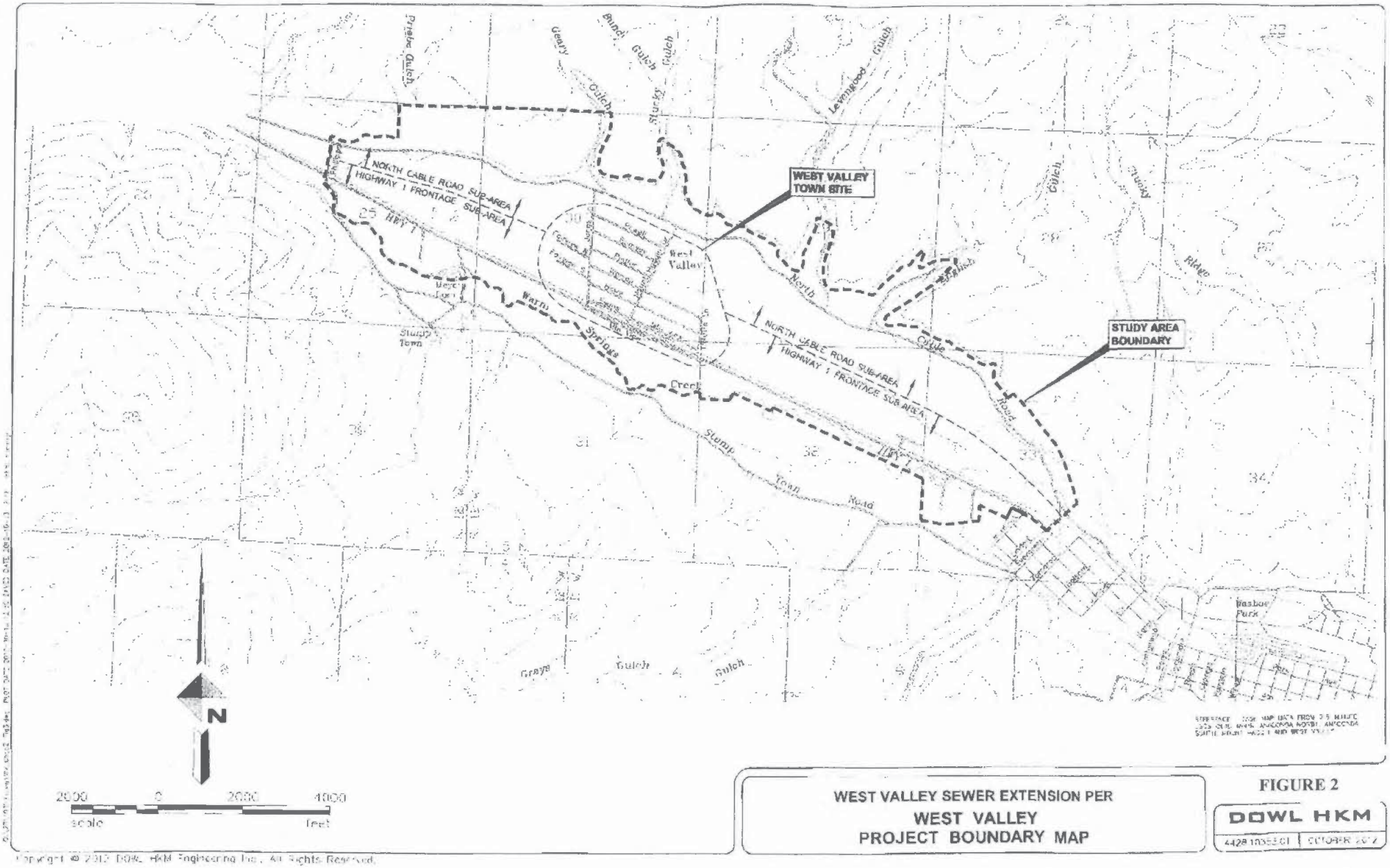

WEST VALLEY SEWER EXTENSION PER
WEST VALLEY
PROJECT BOUNDARY MAP

FIGURE 2

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4428.103E.01 | OCTOBER 2012

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