



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Michael Glaze, General Manager

DATE: May 23, 2006

**RE: Mitigated Negative Declaration – Water Rights Permits' Time Extension
Agenda Item for 5/30/06 Board of Directors Meeting**

On June 17, 2004, by Order WRO 2004-0029, the SWRCB approved extension of water-right permits through December 31, 2004, and held that SFWPA and YCWD could file petitions for further extension of the period subject to compliance with the California Environmental Quality Act (CEQA). The order specified that SFWPA and YCWD prepare a new CEQA document for their new petitions for extensions of time, and gave SFWPA and YCWD until June 1, 2006 to comply.

SFWPA and Yuba County Water District filed petitions in November 2004 with the State Water Resources Control Board (SWRCB) requesting extensions of time beyond 2004 to place water to full beneficial use under their water-right permits. SFWPA petitioned for a 45-year extension of time (until 2049) for Permits 1267, 1268, 1271, and 2492, and agreed to assign its interests in Permits 11516 and 11518 to YCWD. YCWD petitioned for a 36-year extension of time (until 2040) for Permits 11516 and 11518.

As Lead Agency, SFWPA retained the firm of Jones & Stokes of Sacramento, California, to prepare the required CEQA documents required by the SWRCB. An initial study and draft Mitigated Negative Declaration were prepared and made available for public review from April 21 through May 22, 2006.

1. Public Hearing on Proposed Negative Declaration – A copy of the Initial Study/Mitigated Negative Declaration has been provided to each SFWPA Director.

Before you consider adopting the Mitigated Negative Declaration you must conduct a public hearing to receive any comments about the document and the potential environmental impacts associated with extending the time for the water-right permits.

The public hearing is initiated by the President "opening" the hearing and allowing interested individuals to comment on the proposed Mitigated Negative Declaration. Comments about any project aspect other than environmental are not appropriate during the hearing. This is a time for people to make comments to the Board that they feel are necessary for an objective decision about adopting the proposed

Mitigated Negative Declaration. The Board's responsibility is to listen, as well as ask questions for clarification. You are not required, however, to debate the proposal with presenters since your job is to evaluate the evidence and determine if the Mitigated Negative Declaration is appropriate.

When everyone in the audience has had an opportunity to address the Board on the issue, the President will "close" the public hearing and move on to the Board's consideration of adopting the Mitigated Negative Declaration.

2. Adoption of Mitigated Negative Declaration – After the public hearing is closed the Board must consider adopting the Mitigated Negative Declaration. If you need additional information or have questions at this time, the Jones & Stokes consultants will be available to answer them. If you are convinced that the project (time-extension for water-right permits) will not have a "significant impact" on the environment, the recommended form of action is:

"On the basis of the initial study of environmental impact, the information presented at the hearing today, comments received on the proposal and our own knowledge and independent research, and given that there is no substantial evidence in light of the whole record that the proposed annexation may have a significant environmental effect, I move adoption of a Mitigated Negative Declaration, finding that the proposed annexation could not have a significant effect on the environment."

3. Adoption of Mitigation Monitoring and Reporting Plan – If the Mitigated Negative Declaration is adopted, then the following action would be appropriate:

"I move adoption of the Mitigation Monitoring and Reporting Plan prepared by Jones & Stokes in connection with the Mitigated Negative Declaration."

4. Affirmation of Petitions for Extension of Time and Filing CEQA Documents – The final action would be as follows:

"I move that South Feather Water and Power Agency's petitions for extension of time be affirmed and that the General Manager be directed to lodge the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Plan with the State Water Resources Control Board on or before June 1 in full satisfaction of the required environmental documentation necessary for CEQA compliance in accordance with Ordering Paragraph 3c of the State Water Resources Control Board Order WR 2004-0029, and that the General Manager file copies of the Notice of Determination of this action with the State Clearing House and the Butte and Yuba County clerks as required by law."

c: Jeff Meith, SFWPA Legal Counsel
Bill Suppa, YCWD General Manager
Alan Lilly, YCWD Legal Counsel