FINDING OF NO SIGNIFICANT IMPACT

The Council on Environmental Quality (CEQ) Regulations state that the determination of significance using an analysis of effects requires examination of both context and intensity, and lists ten criteria for intensity (40 C.F.R. § 1508.27). In addition, the Companion Manual for National Oceanic and Atmospheric Administration Administrative Order 216-6A provides sixteen criteria, including the same ten as the CEQ Regulations, and six additional for determining whether the impacts of a proposed action are significant. Each criterion is discussed below with respect to the proposed action and considered individually as well as in combination with the others.

The National Oceanic and Atmospheric Administration (NOAA) Office of National Marine Sanctuaries (ONMS) proposes to authorize the Central Coast Regional Water Quality Control Board's (RWQCB's) reissuance of a National Pollutant Discharge Elimination System (NPDES) permit (the Proposed Action). The permit reissuance includes provisions to allow the Advanced Water Purification Facility (AWPF) of the Pure Water Monterey (PWM) Project to operate at full-scale, including enabling the project proponent, Monterey One Water (M1W) to discharge a waste stream generated by the AWPF into Monterey Bay National Marine Sanctuary (MBNMS). The EA analyzes the direct, indirect, and cumulative impacts from the proposed action (i.e. the effluent permitted to be discharged by M1W).

The EA incorporates by reference the Environmental Impact Report (EIR) associated with the proposed PWM Project, which was prepared to fulfill California Environmental Quality Act (CEQA) requirements, along with associated effluent discharge modeling analyses. The EIR analyzes the potential impacts of the effluent permitted to be discharged by M1W, and the EA considers and incorporates by reference the relevant portions of the EIR, as described in more detail below.

The following alternatives were proposed and analyzed in detail in the associated Environmental Assessment for the PWM Project: Alternative #1: (preferred alternative) authorize the reissued RWQCB NDPES Permit CA0048551 for the M1W Treatment Plant to allow the discharge of existing secondary treated wastewater and small quantities of hauled saline waste, together with discharge of reverse osmosis concentrate from the Proposed PWM Project's AWPF into MBNMS; Alternative #2: no action alternative, MBNMS would not authorize the above-described NPDES permit.

1. Can the proposed action reasonably be expected to cause both beneficial and adverse impacts that overall may result in a significant effect, even if the effect will be beneficial?

No. The proposed action is not expected to cause any impacts that overall may result in a significant effect. No significant adverse impacts are expected given that the effluent would meet the water quality standards within California's Water Quality Control Plan for Ocean Waters of California (Ocean Plan), which establishes water quality objectives and beneficial uses for waters of the Pacific Ocean adjacent to the California coast outside of estuaries, coastal lagoons, and enclosed bays.

An insignificant overall beneficial impact may occur given that polluted surface waters, which would otherwise flow untreated into MBNMS, would be diverted to M1W for treatment prior to release within MBNMS. In addition, the reverse osmosis concentrate would increase the initial dilution characteristics of the final effluent discharged in the outfall to MBNMS.

2. Can the proposed action reasonably be expected to significantly affect public health or safety?

No. The proposed action would not be expected to significantly affect public health or safety. Changes to water quality are not expected to significantly affect public health because in several scenarios the proposed action may improve the water quality of the combined effluent and because M1W's effluent would meet the water quality standards within the Ocean Plan. The proposed action does not include any construction or other activities that would significantly affect public health and safety because the effluent would discharge out of the existing M1W outfall.

3. Can the proposed action reasonably be expected to result in significant impacts to unique characteristics of the geographic area, such as proximity to historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas?

No. The proposed action would not result in significant impacts to unique characteristics of the geographic area, because there are no such features in the project area. The PWM EIR, which ONMS has considered and incorporated by reference in the EA, concluded that the Preferred Alternative would result in less than significant operational impacts on marine biological habitats. MBNMS, in coordination with the National Marine Fisheries Service (NMFS) and the Fish and Wildlife Service (FWS), did not identify potential adverse effects or modifications to designated critical habitat or essential fish habitat. No impacts to historic or cultural resources are expected from changing the constituents of an existing discharge. Based on these consultations and analyses, MBNMS does not anticipate that the Preferred Alternative would have significant direct or indirect impacts on unique characteristics of the proposed site.

4. Are the proposed action's effects on the quality of the human environment likely to be highly controversial?

No. The proposed action's effects on the quality of the human environment are not expected to be highly controversial. The project provides a much-needed water supply that recycles stormwater, wastewater, and polluted surface waters by treating them at an Advanced Water Purification Facility and injects the highly treated water into the Seaside ground water basin. In addition, the impacts would be beneficial and non-significant. During the previous public comment period for the PWM Project EIR, public input was not highly controversial regarding the effects on the quality of the human environment, nor is there scientific controversy regarding the potential impacts. Given that the proposed action is a smaller portion of the activities analyzed within the EIR, the staff is not aware of any controversy regarding the proposed action's potential effects to the human environment.

5. Are the proposed action's effects on the human environment likely to be highly uncertain or involve unique or unknown risks?

No. The proposed actions effects on the human environment are not likely to be highly uncertain or involve unique or unknown risks. The reverse osmosis concentrate would be discharged through the existing M1W outfall to MBNMS. The PWM EIR identified that the current M1W wastewater discharge is governed by NPDES permit R3-2014-0013 issued by the RWQCB. The RWQCB considers compliance with the Ocean Plan when setting nutrient and chemical concentration limits

within its NPDES permits. MBNMS has reviewed these results, which show that the Preferred Alternative would not result in a significant effect on ocean water quality because the wastewater discharged through M1W's ocean outfall, including the Preferred Alternative's reverse osmosis concentrate, would consistently meet the water quality objectives of the Ocean Plan, which are developed for the protection of marine aquatic life. In addition, the discharge effluent for the Preferred Alternative is considered a buoyant discharge (floats rather than sinks) because its salinity is closer to fresh water than salt water. For this reason, there is no concern for hypoxic or hypersaline conditions forming around the outfall, which was verified in the modeling.

6. Can the proposed action reasonably be expected to establish a precedent for future actions with significant effects or represent a decision in principle about a future consideration?

No. The proposed action is not expected to establish a precedent for future actions with significant effects or represent a decision in principle about a future consideration. This proposed action is the authorization of the reissuance of a RWQCB NPDES permit with standard requirements for implementation and monitoring, and that is subject to expiration or renewal within a five-year time frame. In addition, each authorization application submitted to MBNMS is considered independently under applicable regulatory review and environmental review factors and guidance, and this would not establish a precedent for future authorization decisions or NEPA determinations.

7. Is the proposed action related to other actions that when considered together will have individually insignificant but cumulatively significant impacts?

No. Although the proposed action is related to other actions that when considered together may have individually insignificant but cumulatively significant impacts, these impacts would be mitigated to a less than significant level with required mitigation measures. More information is provided below.

The Monterey Peninsula Water Supply Project (MPWSP) and the Preferred Alternative would be located in the same general vicinity and would share transportation pipelines. In addition, the MPWSP effluent would be comingled and discharged through the M1W outfall pipe. The MPWSP is a potential cumulative project as it is still pending various regulatory approvals, including a potential NPDES permit amendment and Authorization by MBNMS.

The PWM EIR concluded there would be less than significant cumulative impacts to hydrology and water quality of inland surface waters. However, the EIR found that the combined operations of the Preferred Alternative and the MPWSP could result in significant cumulative impacts from an exceedance of Ocean Plan water quality objectives due to the comingled discharge through the M1W outfall pipe. The PWM EIR found that this potentially significant cumulative impact would be mitigated with implementation of Mitigation Measure HS-C: Implement Measures to Avoid Exceedances over Water Quality Objectives at the Edge of the Zone of Initial Dilution. A secondary or indirect effects analysis of implementation of Mitigation Measures HS-C was included in the PWM EIR. M1W is required to adhere to the following mitigation or other mitigation—namely, M1W would not accept desalination brine into its outfall unless and until it can be demonstrated that Ocean Plan water quality objectives are achieved to protect MBNMS and its resources from adverse effects of brine discharge.

The PWM EIR also found that the Preferred Alternative would have a considerable contribution to significant cumulative marine biological resources impact constituents if the MPWSP 6.4 MGD desalination project is operated. The EIR further found that with implementation of Mitigation Measure HS-C, the cumulative impact would be reduced to a less than significant level.

MBNMS has reviewed, considered, and incorporated by reference the analysis in the EIR and the associated discharge modeling, along with the analysis in the MPWSP EIR/EIS. Based on this information and MBNMS's independent analysis, MBNMS determines that the combined discharge, with mitigation, would be within parameters considered not to result in a cumulatively significant effect on water quality and would not have a cumulatively significant, additive or synergistic impact on water quality or marine resources. As such, MBNMS finds that potential cumulative impacts of the combined MPWSP-Preferred Alternative discharge would be less than significant with mitigation. Additional or supplemental NEPA analysis will be conducted, if necessary and appropriate, if the NPDES permit is further amended or reissued, whether for implementation of the MPWSP or otherwise.

8. Can the proposed action reasonably be expected to adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources?

No, the proposed action is not expected to adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources. On April 19, 2016, the State Historic Preservation Officer concurred with a determination of "No Historic Properties Affected" for the entirety of the PWM Project. Because the proposed action is bounded by the activities analyzed in the EIR for the PWM Project, it was determined that this undertaking would not adversely affect historic properties.

9. Can the proposed action reasonably be expected to have a significant impact on endangered or threatened species, or their critical habitat as defined under the Endangered Species Act of 1973?

No. The proposed action would not adversely affect endangered or threatened species or their critical habitat protected under the Endangered Species Act.

For species under the jurisdiction of NMFS, the U.S. Environmental Protection Agency (USEPA) previously consulted with NFMS and determined that the PWM project may affect, but is not likely to adversely affect the South-Central California Coast Steelhead Distinct Population Segment (S-CCC; *Oncorhynchus mykiss*) or its designated critical habitat in the Reclamation Ditch and the Salinas River watersheds. In part based on additional mitigation measures that were agreed to during the informal consultation between NMFS and USEPA, NMFS concurred with the USEPA's determination that the PWR project may affect, but is not likely to adversely affect the South-Central California Coast Steelhead Distinct Population Segment. For the proposed action, MBNMS staff did not identify any new information that would suggest that the proposed action would have any impacts on ESA-listed species or their critical habitat not previously considered during the ESA consultation

for the PWM Project. On December 20, 2018, NMFS responded via email to MBNMS and indicated that they agreed with the USEPA in their determination for the PWM project, and that re-initiation of consultation was not needed for this proposed action.

For species under the jurisdiction of FWS, the USEPA previously consulted with the USFWS and determined that the PWM project is likely to adversely affect the federally threatened Monterey spineflower (*Chorizanthe pungens var. pungens*), federally and state threatened California red legged frog (*Rana draytonii*) and the federally endangered Monterey gilia (*Gilia tenuiflora ssp. arenaria*). The USFWS's Biological Opinion concluded that the PWM Project is not likely to jeopardize the continued existence of the California red-legged frog, the Monterey spineflower, or the Monterey gilia. In addition, the Biological Opinion includes an incidental take statement for the California red-legged frog. For the proposed action, MBNMS staff did not identify any new information that would suggest that the proposed action would have any impacts on ESA-listed species or their critical habitat not previously considered during the ESA consultation for the PWM Project. On December 19, 2018, USFWS responded via email to MBNMS and indicated that they agreed with the USEPA in their determination for the PWM project that re-initiation of consultation was not needed for this EA.

10. Can the proposed action reasonably be expected to threaten a violation of Federal, state, or local law or requirements imposed for environmental protection?

No. The proposed action does not threaten a violation of Federal, state, or local law or requirements imposed for environmental protection. A Report of Waste Discharge was submitted to MBNMS and the RWQCB with sufficient modeling and analysis of the proposed waste stream to develop an NPDES permit. The NPDES permit would limit the concentration of various chemical and nutrients to ensure that the discharge meets the Ocean Plan. This permit has been adopted by the RWQCB and goes into effect on April 1, 2019 if authorized by MBNMS.

11. Can the proposed action reasonably be expected to adversely affect stocks of marine mammals as defined in the Marine Mammal Protection Act?

No. The proposed action would not adversely affect stocks of marine mammals as defined in the Marine Mammal Protection Act. The preferred alternative is not likely to result in the take of any marine mammal protected under the Marine Mammal Protection Act. While it is recognized that there may be marine mammals in the project area--which include California sea lions, Harbor seals, southern sea otters, humpback whales and possibly other animals--MBNMS does not expect that the effluent discharge would lead to a take of any of these marine mammals given that effluent would consistently meet the water quality objectives of the Ocean Plan that was developed in part to protect marine life. In addition, the EIR, which bounds the potential impacts from the proposed project, concluded that the PWM would not adversely affect stocks of marine mammals or result in a take of a marine mammal.

12. Can the proposed action reasonably be expected to adversely affect managed fish species?

No. The proposed action would not adversely affect managed fish species for the same reasons described above that the discharge of effluent from M1W will comply with the CA Ocean Plan water quality objectives and therefore is not expected to adversely affect any managed fish species.

13. Can the proposed action reasonably be expected to adversely affect essential fish habitat as defined under the Magnuson-Stevens Fishery Conservation and Management Act?

No. The proposed action would not adversely affect essential fish habitat as defined under the Magnuson-Stevens Fishery Conservation and Management Act. On November 18, 2016, the USEPA sent a letter to the NMFS providing notification of USEPA's determination that the PWM Project would not adversely affect Essential Fish Habitat (EFH) under MSA for starry flounder (*Platichthys stellatus*). On November 19, 2016, NMFS responded concurring with the USEPA that the PWM Project would not adversely affect EFH, and instead would result in reduced discharge of pollutants to EFH. MBNMS staff did not identify any new information that would suggest that the proposed action would have any impacts on EFH not previously considered during the EFH consultation for the PWM Project. Therefore, consultation under the Magnuson-Stevens Fishery Conservation and Management Act was not required for the proposed action.

14. Can the proposed action reasonably be expected to adversely affect vulnerable marine or coastal ecosystems, including but not limited to, deep coral ecosystems?

No. The proposed action would not reasonably be expected to adversely affect vulnerable marine or coastal ecosystems, including but not limited to, deep coral ecosystems for the same reasons described above, that the discharge of effluent from M1W would comply with the CA Ocean Plan water quality objectives and therefore is not expected to adversely affect any marine species. The buoyant nature of the effluent would also prevent impacts to benthic organisms, such as deep coral. In addition, the immediate area around and under the outfall is covered with sand or mud. The lack of hard substrate and shifting sand prevents many organisms such as coral from growing in this area.

15. Can the proposed action reasonably be expected to adversely affect biodiversity or ecosystem functioning (e.g., benthic productivity, predator-prey relationships, etc.)?

No. The proposed action would not reasonably be expected to adversely affect biodiversity or ecosystem functioning (e.g., benthic productivity, predator-prey relationships, etc.) based on compliance with the Ocean Plan, as described above. The discharge of combined effluent from the M1W outfall is not expected to negatively affect marine organisms, their habitat or any aspect of ecosystem function.

16. Can the proposed action reasonably be expected to result in the introduction or spread of a nonindigenous species?

No. The proposed action would not reasonably be expected to result in the introduction or spread of a nonindigenous species because there are no activities that will introduce nonindigenous species into

the project. Prior to discharge from the outfall, all water will be treated at the wastewater treatment facility and go through multiple stages including ozone pre-treatment, membrane filtration, reverse osmosis, and UV disinfection.

DETERMINATION

In view of the information presented in this document and the analysis contained in the supporting Environmental Assessment prepared for the Authorization of the National Pollutant Discharge Elimination System Permit for the Monterey One Water Regional Wastewater Treatment Plant and Advanced Water Purification Facility, the Office of National Marine Sanctuaries has determined that the MBNMS Authorization will not significantly impact the quality of the human environment as described above and in the supporting Environmental Assessment. All beneficial and adverse impacts of the proposed action have been addressed to reach the conclusion of no significant impacts. Accordingly, preparation of an environmental impact statement for this action is not necessary.

John Armor
Director
Office of National Marine Sanctuaries

4/1/2019
Date