NOTICE OF INTENT TO ADOPT A MITIGATED NEGATIVE DECLARATION

Markleeville Water System Improvements Project

Date: April 21, 2021

To: Responsible Agencies, Trustee Agencies, and Interested Persons

Lead Agency: State Water Resources Control Board, Division of Financial Assistance

Project Proponent: Markleeville Water Company

Subject: Markleeville Water System Improvements Project

Review Period: April 21, 2021 - May 21, 2021

Purpose of Notice: Notice is hereby given that the State Water Resources Control Board (SWRCB), Division of Financial Assistance (DFA) intends to adopt a Mitigated Negative Declaration (MND) in compliance with the California Environmental Quality Act (CEQA) for the Markleeville Water System Improvements Project (project).

Background: The Markleeville Water Company (MWC), a non-profit California Mutual Benefit Corporation, is planning to design and construct a Water System Improvements Project to upgrade its aging water system. The project would be constructed under one or more construction contracts funded in part or in whole by a construction grant administered by the California State Water Resources Control Board (SWRCB), Division of Financial Assistance (DFA) through the Drinking Water State Revolving Fund (DWSRF) program.

Project Location: The project is located in Markleeville, a census-designated place with a total of 6.5 square miles in Alpine County on State Route (SR) 89, approximately 31 miles south of South Lake Tahoe, California. The MWC water system includes a water treatment plant (WTP) located on Hot Springs Road, south of SR 89, a tank at the top of Pleasant Valley Road, a pump station at the corner of Pleasant Valley Road and Hot Springs Road, and associated pipelines, fire hydrants, and meters throughout the Marklee Village and Thornburg Subdivision, K&I subdivision, and downtown Markleeville.

Project Description: The objectives of the project are to replace aging, failure-prone water distribution system piping and to implement distribution system changes intended to increase turnover of stored water and reduce the incidence of disinfection byproduct (DBP) exceedances. The project would:

- replace existing pipelines (within public rights-of-way) most vulnerable to failure, reducing lifetime operation and maintenance costs associated with pipeline repair;
- implement hydraulic improvements, achieving improvements to available fire flows and increased turnover of the Pleasant Valley water storage tank;
- increase system reliability by placing the Pleasant Valley Tank feed pumps at the WTP, where a standby generator can provide power during a utility outage; and
- ▶ provide two tiers of DBP control approaches: source control at the WTP and mixing and ventilation at the Pleasant Valley Tank.

Findings: An Initial Study (IS) has been prepared to assess the project's potential effects on the environment and the significance of those effects. Based on the Initial Study, it has been determined that the project would not result in a potentially significant impact and would not require an environmental impact report. The project would result in no impact or less-than-significant impacts for the following issue areas:

Aesthetics Agriculture and Forest Resources

Air Quality Energy Geology / Soils

Greenhouse Gas Emissions/Climate Change

Hydrology / Water Quality

Land Use / Planning

Mineral Resources
Population / Housing

Public Services Recreation Transportation

Tribal Cultural Resources Utilities / Service Systems

Potentially significant impacts were identified for:

Biological Resources Hazards / Hazardous Materials

Cultural Resources Wildfire Hazard

However, mitigation measures included in the IS/MND would reduce all potentially significant impacts to a less-than-significant level.

Public Review: This IS/MND is a disclosure document that is being made available to the public for review and comment. The public comment period is 30-days from April 21, 2021 to May 21, 2021.

Due to restrictions related to COVID, hard-copy review of the IS/MND will not be provided. However, the IS/MND is available for review online:

► MWC's website: https://markleevillewatercompany.com/

In addition, the supporting documents are available upon request from the SWRCB.

Comments should be addressed to:

- ► State Water Resources Control Board, Division of Financial Assistance, Drinking Water State Revolving Fund Environmental Review Unit 1001 I Street, 16th Floor, Sacramento, CA 95814
- ► E-mail comments may be sent to: Gabriel.Edwards@Waterboards.ca.gov

If you have questions regarding the IS/MND, please call Gabriel Edwards at: 916/449-5990. If you wish to send written comments (including via e-mail), they must be postmarked by **May 21, 2021.**

After comments are received from the public and reviewing agencies and considered, the SWRCB DFA may (1) adopt the MND and approve project funding; (2) undertake additional environmental studies; or (3) decide not to fund the project. If the MND is adopted and the funding is approved, MWC may proceed with the project.