UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
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October 18, 2007

Mr. Thomas W. Waters P.E.
Chief, Policy and Policy Compliance Division
Directorate of Civil Works
Headquarters
U.S. Army Corps of Engineers
CECW-P (SA)
7701 Telegraph Road
Alexandria, Virginia 22315-3860

Subject: EPA NEPA Review of the COE "Final Caloosahatchee River (C-43) West Basin Storage Reservoir Project" (September 2007); Hendry County, FL; CEQ# 20070394; ERP# COE-E39068-FL

Dear Mr. Waters:

In accordance with our responsibilities under Section 102(2)(C) of the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act, the U.S. Environmental Protection Agency (EPA) has reviewed the referenced U.S. Army Corps of Engineers (COE) Final Environmental Impact Statement (FEIS) for the proposed C-43 Basin Storage Reservoir (BSR). This proposed project is a major component of the Comprehensive Everglades Restoration Plan (CERP) and therefore was reviewed as a project implementing the overall goals and objectives of Everglades restoration.

EPA provided comments on the draft EIS (DEIS) to the COE Jacksonville District in a letter dated June 7, 2007. EPA continues to support the COE's expedited approval and implementation of the Caloosahatchee C-43 Reservoir to provide additional water storage along the Okeechobee Waterway. We offer our continued technical water quality assistance as appropriate.

EPA focused its NEPA review of the FEIS on the COE's responses to our comment letter on the DEIS found in Annex B (pp. B-73 to B-81). As noted below, we find this section to be generally responsive to our comments on the DEIS but not always organized in a user-friendly manner. We offer the following response-specific and general comments:

* General Responses – Several responses were generic, indicating that the FEIS will be modified or that the COE agrees/concurs with the comment, as opposed to what volume, section or page of the FEIS was modified and/or a synopsis of that modification. To the extent feasible, we request that the responses in future COE NEPA documents be more specific to facilitate the public review, although we realize that this is a six-volume

document and draft documents often change until publication, such that section numbers and page numbers may be difficult to identify.

* Response 9 (Project Sizing) – We are pleased to find that additional water storage along the Caloosahatchee River is planned via another storage reservoir project (Caloosahatchee Watershed Project).

* Response 11 (Wetlands) – The EPA comment for this response was incorrectly transferred in the Annex. Page 8 of our DEIS letter indicated that page 20 of the DEIS stated that "[t]here will be no mitigation for wetlands as a result of the federal project" while page B-76 of Annex B stated that "[t]here will be mitigation for wetlands as a result of the federal project".

* Locating Responses – For future COE NEPA documents, we suggest that locating the COE's responses to agency/public comments be facilitated. Although Section 9.35.1 of the main document is titled as *Comments Received and Responses*, it refers the reader to Annex B. Annex B then refers to *Agency Correspondence* (B.3.3) and *Public Correspondence* (B.3.4) and could have been improved to read agency and public correspondence "with COE responses". In addition, it is unclear why EPA's comments are included under public rather than agency correspondence. In general, a six-volume document should be made as user-friendly as possible for public review.

In addition to the responses section, we are pleased to note that modifications in FEIS were also made. We particularly note that Appendix C (*Environmental Information*: pp. C-72 to C-119) addressed most of our water quality concerns. We appreciate this summary. Beyond this write-up, however, we encourage the Jacksonville COE to annually provide our EPA Region 4 South Florida Office with the C-43 BSR water quality monitoring program analysis. Coordination with downstream users such as Lee County and City of Sanibel is also recommended. We have also reviewed the *Draft Project Operating Plan* in Annex D and generally find it acceptable for water quality. EPA wishes to participate in the reservoir operations team and will await a schedule of events from the COE.

Although the above responses and sections were generally well done, we wish to offer a few comments on the *Water Quality Management Plan* (WQMP) in Annex D (pg. D-76). We have two main concerns with the WQMP: 1) identification of the project category and 2) water quality monitoring of the reservoir. Regarding our first concern, Section 1 of the WQMP defines the C-43 BSR Project as a Category "C" project instead of a Category "B" project (which are projects designed to achieve water quality improvement even though they do not contain water quality improvement features). Accordingly, we recommend that the C-43 BSR Project be re-characterized as a Category "B" project in the COE's Record of Decision (ROD). Regarding our second concern, we continue to request that the project include warm-weather monitoring of the reservoir (in addition to the proposed monitoring of chlorophyll-*a* at the discharge structures). Specifically, reservoir monitoring should entail sampling for blue-green algae from April to October at 1-ft below the surface. Along with algal sampling, monitoring should also

include taking *in situ* water quality profiles for reservoir temperature and dissolved oxygen during these months to document reservoir water quality and determine any thermal stratification. We recommend that the COE's ROD provide a commitment for such warm-weather monitoring of the reservoir (if such a commitment is not forthcoming, the ROD should fully substantiate how the monitoring of chlorophyll-*a* would serve as a surrogate for the recommended reservoir monitoring). Given the project's intent to improve the downstream water quantity and quality concerns associated with the current water releases from Lake Okeechobee, we find it essential to maintain the water quality of the reservoir and to determine the water quality prior to releases downstream to the lower Caloosahatchee River and Estuary at S-79. The water quality of the C-43 BSR release waters should be no worse than – and preferably better than – the ambient waters of the Caloosahatchee. Such monitoring data should also be of interest to the reservoir operations team.

Should you have questions regarding our comments, feel free to contact Chris Hoberg of my staff for NEPA-related issues (404/562-9619 or hoberg.chris@epa.gov) or Eric Hughes in our EPA Water Management Division (located in the Jacksonville District office) for technical issues (904/232-2464 or hughes.eric@epa.gov).

Sincerely,

Heinz J. Mueller, Chief
NEPA Program Office
Office of Policy and Management

cc:

Stuart Appelbaum – COE Jacksonville District; Jacksonville, FL
Ray Judah – Lee County Commissioner; Ft. Myers, FL
Roland Ottolini – Lee County Natural Resources; Ft. Myers, FL (Attn: Wayne Daltry)
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