SUBJECT: The U.S. Army Corps of Engineers, Sacramento District, (Corps) is evaluating a permit application to construct the 1,349-acre Arboretum project (Project), which would result in impacts to approximately 31.78 acres of waters of the United States, including wetlands, in or adjacent to Laguna Creek. The Corps has determined that an Environmental Impact Statement will be developed in accordance with the National Policy Act (NEPA). A Notice of Intent (NOI) was published in the Federal Register on December 16, 2008, and can be found at http://frwebgate4.access.gpo.gov/cgi-bin/TExTgate.cgi?WAISdocID=078596520421+1+1+0&WAISaction=retrieve. A Public Scoping Meeting will be held in order to provide interested parties a chance to comment on the proposal. This notice may also be viewed at the Corps web site at http://www.spk.usace.army.mil/regulatory.html.

AUTHORITY: This application is being evaluated under Section 404 of the Clean Water Act for the discharge of dredged or fill material in waters of the United States.

APPLICANT: Lewis Operating Corp.
9215 Kiefer Blvd.
Sacramento, CA 95826
Attn: Sam Miller, (916) 363-2617 ext. 231

LOCATION: The Project site is located in Sections 28, 29, 32, and 33, Township 8 North, Range 7 East, M.D.B&M., in Rancho Cordova, Sacramento County, California.

PROJECT DESCRIPTION: The applicant-stated purpose of the Project is to create a walkable community in Rancho Cordova of approximately 5,000 new residential units, including nearly 80 acres of public and private use parks and related facilities; two 10 acre elementary school sites; one 75 acre joint use middle/high school site; and, 465,000 square feet of targeted commercial development; with approximately 449 acres, or nearly 33%, of the proposed project devoted to open space uses including the preservation and enhancement of the Laguna Creek stream corridor and its associated jurisdictional features.

PUBLIC SCOPING MEETING: A public scoping meeting will be held on January 29, 2009, from 4 p.m. to 7 p.m. The meeting will be held at the Rancho Cordova City Hall, 2729 Prospect Park Drive, American River Room—South, Rancho Cordova, CA 95670.

ADDITIONAL INFORMATION:
**Environmental Setting.** The Project site is situated southeast of Sacramento on leveled and undulating terrain at a median elevation of approximately 140 feet. The southeast and west edges are bordered by Jackson Highway and Sunrise Boulevard, respectively, while Grant Line Road defines a portion of the eastern boundary. The north side abuts Kiefer Boulevard and an empty field. The immediately surrounding lands are generally undeveloped and support ranchettes with large tracts of rangeland. A total of 117.03 acres of waters and wetlands were identified within the proposed project area. These waters and wetlands consist of 22.18 acres of vernal pools, 6.79 acres of seasonal wetlands, 58.44 acres of lakes, 9.96 acres of ponds, 8.99 acres of channels, 9.48 acres of wet swales, 0.34 acre of roadside drainage ditches, and 0.91 acre of irrigation ditches.

**Alternatives.** Currently, the following alternatives are expected to be analyzed in detail: (1) the no action alternative (no permit issued), (2) the applicant’s preferred project (proposed action), and (3) a different location (off-site) alternative. The no action alternative assumes limited development would occur on the site with all waters of the United States avoided. The off-site alternative assumes the proposed project would be developed at a different but suitably-sized site in the region. Currently the Corps is in the process of developing an analysis of alternatives sufficient to demonstrate compliance with Section 404(b)(1) of the Clean Water Act, therefore additional alternatives are likely to be analyzed.

**Mitigation.** The Corps requires that applicants consider and use all reasonable and practical measures to avoid and minimize impacts to aquatic resources. If the applicant is unable to avoid or minimize all impacts, the Corps may require compensatory mitigation. As stated by the applicant, mitigation for the proposed project is three-fold and consists of avoidance, minimization and restoration for unavoidable impacts. First, the project has been designed to avoid 72.8% of the existing waters on site. These avoided wetlands would be preserved in perpetuity and protected with a conservation easement. The 449 acres proposed for on-site preservation would consist of the 196.5 acre Laguna Creek Corridor, the 7.4 acre Carli Creek Corridor, the 95.4 acre Sun Creek Preserve, the 69.9 acre Five Trees Preserve, and the 79.8 acre Kiefer Preserve.

**OTHER GOVERNMENTAL AUTHORIZATIONS:** Water quality certification, as required under Section 401 of the Clean Water Act, from the Central Valley Regional Water Quality Control Board is required for this project. The applicant has not indicated they have applied for certification.

**HISTORIC PROPERTIES:** The Corps will initiate consultation with the State Historic Preservation Officer under Section 106 of the National Historic Preservation Act, as appropriate.

**ENDANGEROSED SPECIES:** The applicant states they are in the process of developing a Biological Assessment (BA) for the Corps’ use during consultation with U.S. Fish and Wildlife Service under the authority of Section 7 of the Endangered Species Act. The applicant expects to conclude that the project may affect federally listed vernal pool invertebrates. The BA, including the conclusions of the applicant’s biologist, will be presented to the Corps when complete. The Corps will initiate consultation with US Fish and Wildlife Service as needed.

**ESSENTIAL FISH HABITAT:** The proposed project will not adversely affect Essential Fish Habitat (EFH) as defined in the Magnuson-Stevens Fishery Conservation and Management Act.

The above determinations are based on information provided by the applicant and our preliminary review.
PROCESS: The scoping process for the development of an EIS is intended to be an early and open process for determining the scope of issues to be addressed and for identifying the significant issues related to the proposed action. As part of the scoping process, the Corps, as the lead Federal Agency in the preparation of the EIS, has invited the participation of affected Federal, State, and local agencies, any affected Indian tribe and other interested persons. Throughout the scoping process, several opportunities will be available for interested parties to provide verbal and written comments on the proposed project. The EIS will evaluate all significant impacts of the proposed activity, including those impacts to: wetlands; cultural resources; biological resources; air quality; hydrology; water quality; noise; traffic; aesthetics; utilities and service systems; socioeconomics; as well as the cumulative impacts of the proposed project in light of past, present, and reasonable foreseeable future development.

SUBMITTING COMMENTS: Written comments, referencing Public Notice SPK-2007-00133, must be submitted to the office listed below on or before March 15, 2009.

Angela L. De Paoli Conn, Project Manager
US Army Corps of Engineers, Sacramento District
Sacramento Office
1325 J Street, Room 1480
Sacramento, California  95814 2922
Email: angela.l.conn@usace.army.mil

The Corps is particularly interested in receiving comments related to the proposal's probable impacts on the affected aquatic environment and the secondary and cumulative effects. Anyone may request, in writing, that a public hearing be held to consider this application. Requests shall specifically state, with particularity, the reason(s) for holding a public hearing. If the Corps determines that the information received in response to this notice is inadequate for thorough evaluation, a public hearing may be warranted. If a public hearing is warranted, interested parties will be notified of the time, date, and location. Please note that all comment letters received are subject to release to the public through the Freedom of Information Act. If you have questions or need additional information please contact the applicant or the Corps' project manager Angela L. De Paoli Conn, (916) 557-6782, angela.l.conn@usace.army.mil.

Attachments: 6 drawings