

U.S. DEPARTMENT OF INTERIOR
U.S. FISH AND WILDLIFE SERVICE
500 AMERICAN BLVD. WEST, SUITE 990
BLOOMINGTON, MN 55437-1458

FINDING OF NO SIGNIFICANT IMPACT

FOR THE FINAL RESTORATION PLAN AND ENVIRONMENTAL ASSESSMENT
FOR THE ST. LOUIS RIVER INTERLAKE DULUTH TAR SITE

The United States Department of the Interior (DOI, acting through the United States Fish and Wildlife Service and the Bureau of Indian Affairs), the National Oceanic and Atmospheric Administration (NOAA), the Fond du Lac Band of Lake Superior Chippewa, the 1854 Treaty Authority, the Minnesota Department of Natural Resources (MNDNR), the Minnesota Pollution Control Agency, and the Wisconsin Department of Natural Resources serve as Natural Resource Trustees (collectively Trustees) under the Comprehensive Environmental Response, Compensation and Liability Act for the St. Louis River Interlake Duluth Tar (SLRIDT) Site. The Trustees prepared a Restoration Plan (RP) and Environmental Assessment (EA) to propose and evaluate restoration alternatives to restore injured natural resources that utilize aquatic habitats and provide ecological, cultural, and/or recreational services. Pursuant to the National Environmental Policy Act of 1969 (NEPA), DOI and NOAA prepared the EA as joint lead agencies in accordance with 40 C.F.R. § 1501.5.

Alternatives Considered

Potential projects were identified based on local habitat and restoration plans (e.g., the Lower St. Louis River Habitat Plan, the City of Duluth's St. Louis River Corridor Initiative, the MNDNR's St. Louis River Restoration Initiative, and Remedial Action Plan updates) as well as priority areas identified by the St. Louis River Great Lakes Restoration Initiative program. Through these efforts, the Trustees identified five potential restoration alternatives: Alternative A: No Action Alternative; Alternative B: Kingsbury Bay Restoration; Alternative C: Grassy Point Restoration; Alternative D: Kingsbury Creek Watershed Protection; and Alternative E: Wild Rice Restoration.

The Trustees evaluated potential restoration alternatives under the Department of the Interior Natural Resource Damage Assessment and Restoration regulations (43 C.F.R. § 11.82(d)) and site-specific factors to determine whether the alternatives would provide appropriate restoration benefits. Alternatives that met the screening criteria were then evaluated further to identify the ecological benefits of the projects as they related to the SLRIDT site injuries. Comments and additional information received during the public comment period were used to evaluate the alternatives described in the draft RP/EA.

Evaluation of a no-action alternative is required under NEPA (40 CFR 1502.14(d)). The selection of this alternative by the Trustees would mean that no actions would be taken by the Trustees to restore injured wildlife and aquatic habitat resources, and that the public would not receive compensation for losses from SLRIDT site that occurred in the past or are ongoing. This alternative may be used as a benchmark to evaluate the comparative benefit of other actions. Because no action is taken, this alternative also has no cost.

The Trustees have identified three restoration alternatives as the preferred alternative to fund and implement. The preferred alternative consists of a suite of restoration projects that cumulatively aim

to compensate for injuries to wildlife and aquatic habitat resources that occurred when hazardous substances were released from the SLRIDT site.

Public Comment

Following review and evaluation of the restoration alternatives, the Trustees released the draft RP/EA on July 6, 2017 with a public comment period held through August 7, 2017. The Trustees received two comments on the draft RP/EA. These comments were addressed in the final RP/EA and used to make the final selection of projects.

Environmental Consequences Analysis Summary for the Preferred Alternative

Alternative B: Kingsbury Bay Restoration

Some biological and socio-economic disruption will occur during the construction of this project, but is expected to be temporary. Any adverse impacts from the physical construction of the project are expected to be outweighed by the major, long-term, localized and broader benefits expected post-construction. This project also seeks to foster a culture of stewardship through the wild rice and cultural education components.

Alternative D: Kingsbury Creek Watershed Protection

The use of heavy machinery will cause temporary adverse impacts in the area (e.g., increased noise, turbidity), but are anticipated to be outweighed by the beneficial impacts to water quality and benthic habitat areas locally and broadly. The restricted creek access will likely limit socio-economic and cultural impacts in the area. Broader, beneficial cultural impacts may occur to the extent that reduced sedimentation increases desirable habitat for biota and wild rice stands in the estuary.

Alternative E: Wild Rice Restoration with Cultural Education Opportunities

Minimal physical, biological, socio-economic, or cultural disturbances are expected from this restoration project. Some disruption may occur in areas needing vegetation removal or exclosures, but is expected to be minor and temporary. On balance, benefits to fish and wildlife are expected to outweigh any short term, minor adverse impacts resulting from these efforts. Furthermore, due to the cultural importance of wild rice to local tribes, the Trustees expect that there will be long-term and possibly permanent beneficial cultural impacts.

Determination

Based upon information contained within the final RP/EA, DOI has determined that Alternatives B, D, and E described above will not significantly affect the quality of the human environment. Accordingly, preparation of an Environmental Impact Statement on the proposed action is not warranted.

It is my decision to issue the Restoration Plan and begin implementation.

ACTING


Regional Director/DOI Authorized Official

11/27/17
Date

UNITED STATES FISH AND WILDLIFE SERVICE

ENVIRONMENTAL ACTION STATEMENT

Within the spirit and intent of the Council on Environmental Quality's regulations for implementing the National Environmental Policy Act (NEPA), and other statutes, orders, and policies that protect fish and wildlife resources, I have established the following administrative record and determined that the action of wildlife and aquatic habitat restoration, as described in the *Restoration Plan and Environmental Assessment for the Saint Louis River Interlake/Duluth Tar Site*:

_____ is a categorical exclusion as provided by 51 6 DM 2, Appendix I and 516 DM 6, Appendix 1. No further NEPA documentation will therefore be made.

X is found not to have significant environmental effects as determined by the attached environmental assessment and finding of no significant impact.

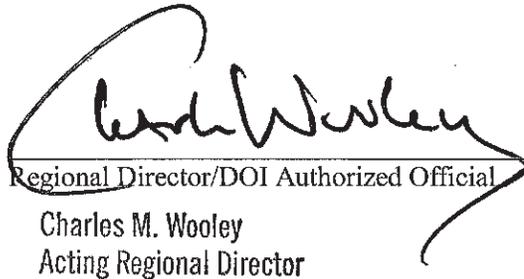
_____ is found to have significant effects and, therefore, further consideration of this action will require a notice of intent to be published in the Federal Register announcing the decision to prepare an EIS.

_____ is not approved because of unacceptable environmental damage, or violation of Fish and Wildlife Service mandates, policy, regulations, or procedures.

_____ is an emergency action within the context of 40 CFR 1506.11. Only those actions necessary to control the immediate impacts of the emergency will be taken. Other related actions remain subject to NEPA review.

Other supporting documents (list):

X Restoration Plan and Environmental Assessment for the Saint Louis River Interlake/Duluth Tar Site


Regional Director/DOI Authorized Official
Charles M. Wooley
Acting Regional Director

11/27/17
Date

FINDING OF NO SIGNIFICANT IMPACT

Final Restoration Plan and Environmental Assessment for the St. Louis River Interlake / Duluth Tar Site, Duluth, Minnesota

Background:

Under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Natural Resource Trustee Agencies (Trustees), including the National Oceanic and Atmospheric Administration (NOAA), the U.S. Fish and Wildlife Service and the Bureau of Indian Affairs on behalf of the Department of the Interior (DOI), the Fond du Lac Band of Lake Superior Chippewa, the 1854 Treaty Authority, the Minnesota Department of Natural Resources (MNDNR), the Minnesota Pollution Control Agency, and the Wisconsin Department of Natural Resources collectively prepared the St. Louis River Interlake/Duluth Tar (SLRIDT) Site Restoration Plan (RP) and Environmental Assessment (EA). The RP/EA evaluates restoration alternatives for natural resource injuries incurred from historical releases of contaminants from the National Priorities List Superfund site known as the SLRIDT Site in Duluth, Minnesota. The Trustees prepared a RP/EA to propose and evaluate restoration alternatives to restore injured natural resources that utilize aquatic habitats and provide ecological, cultural, and/or recreational services. Pursuant to the National Environmental Policy Act of 1969 (NEPA), DOI and NOAA prepared the RP/EA as joint lead agencies in accordance with 40 C.F.R. § 1501.5.

Injuries to natural resources in the 93.6-acre site including surface water, sediment, aquatic invertebrates, aquatic vegetation, fish, birds, and other wildlife, were caused by exposure of those resources primarily to polycyclic aromatic hydrocarbons (PAHs). A Natural Resource Damage Assessment (NRDA) determined that these aquatic resources within the 93.6-acre Assessment Area were affected by this contamination. These injuries resulted in a loss of the ecological and recreational services that Assessment Area resources would otherwise have provided. The Trustees identified restoration activities that would compensate the public for these resource injuries. The RP/EA is intended to guide implementation of NRDA restoration activities and analyze the environmental impacts of the alternatives considered by the Trustees to restore, replace, rehabilitate, and/or acquire the equivalent of the injured natural resources and their services.

Restoration Projects:

The Trustees cooperatively developed the Final RP/EA, which examines and evaluates potential projects to restore injured natural resources in the St. Louis River estuary. The Trustees evaluated potential restoration alternatives under the CERCLA Natural Resource Damage Assessment and Restoration regulations (43 C.F.R. § 11.82(d)) and NEPA, and site-specific factors, to determine whether the alternatives would provide appropriate restoration benefits. Alternatives that met the screening criteria factors including location, technical feasibility, cost effectiveness, provision of

natural resource services similar to those lost due to contamination, and net environmental consequences, were evaluated further to identify the benefits of the projects as they related to the SLRIDT site injuries. Comments and additional information received during the public comment period were also used to assess the alternatives described in the Draft RP/EA. Based on these selection criteria, the Trustees identified Alternatives B, D, and E as the selected alternative. Under the selected alternative, the Trustees will conduct shallow sheltered embayment enhancement/restoration at Kingsbury Bay, which includes recreational access and cultural education opportunities; implementing watershed protection at Kingsbury Creek; and restoring wild rice in the St. Louis River estuary.

Public Involvement:

Throughout the NRDA process, the Trustees have made information available to the public. The Trustees sought the public's input on a draft version of the RP/EA. Public review of the Draft RP/EA occurred from July 6, 2017 to August 7, 2017. Two public comments in support of the Draft RP/EA and the preferred alternative were received. These comments were addressed in the Final RP/EA and considered in the final selection of projects.

Alternatives Considered Under CERCLA:

Potential projects were identified based on injuries assessed at the site, local habitat and restoration plans (e.g., the Lower St. Louis River Habitat Plan, the City of Duluth's St. Louis River Corridor Initiative, the MNDNR's St. Louis River Restoration Initiative, and Remedial Action Plan updates) as well as priority areas identified by the St. Louis River Great Lakes Restoration Initiative program. Through these efforts, the Trustees identified five potential restoration alternatives: Alternative A: No Action Alternative; Alternative B: Kingsbury Bay Restoration; Alternative C: Grassy Point Restoration; Alternative D: Kingsbury Creek Watershed Protection; and Alternative E: Wild Rice Restoration. Based on selection factors including location, technical feasibility, cost effectiveness, provision of natural resource services similar to those lost due to contamination, and net environmental consequences, the Trustees identified Alternatives B, D, and E as the preferred alternatives which was finalized after the public review and comment period (July 6, 2017 – August 7, 2017).

Evaluation of a no-action alternative is required under NEPA (40 CFR 1502.14(d)). The selection of this alternative by the Trustees would mean that no actions would be taken by the Trustees to restore injured wildlife and aquatic habitat resources, and that the public would not receive compensation for losses from SLRIDT site. The no-action alternative may be used as a benchmark to evaluate the comparative benefit of other actions. Since no action is taken, this alternative has no cost.

Environmental Consequences:

NEPA requires an analysis of the effects of federal actions on the quality of the human environment. The Federal Trustees have determined it is appropriate to combine the RP and

NEPA impacts analysis into one document, and have included an evaluation of alternatives for restoration under both CERCLA and NEPA in the RP/EA.

NOAA's Companion Manual (Jan 13, 2017) for NOAA Administrative Order (NAO) 216-6A (April 22, 2016) contains criteria for determining the significance of the impacts of a proposed action. In addition, the Council on Environmental Quality (CEQ) regulations at 40 C.F.R. § 1508.27 state that the significance of an action should be analyzed both in terms of "context" and "intensity." The significance of this action is analyzed based on the NAO 216-6 criteria and CEQ's context and intensity criteria. The criteria listed below are relevant to making a Finding of No Significant Impact, and have been considered individually, as well as in combination with the others, and include:

(1) Can the proposed action reasonably be expected to cause substantial damage to the ocean and coastal habitats and/or essential fish habitat as defined under the Magnuson Stevens Act and identified in Federal Management Plans (FMPs)?

Response: No. As documented in the Final RP/EA, the Trustees do not expect the selected projects to cause substantial damage to coastal habitats. Essential fish habitat, as defined under the Magnuson-Stevens Act, is not present within the Great Lakes. Any short-term and temporary localized impacts from the restoration activities, such as dredging, invasive species removal, vegetation removal for wild rice seeding, and recreational access improvements would be short-term and minimized by the use of Best Management Practices (BMPs). These impacts are expected to be outweighed by the major, long-term, localized and broader benefits expected post-construction. As documented in the Final RP/EA, the Trustees expect the selected projects to result in long-term, beneficial impacts to coastal habitat and associated species by reducing erosion in the watershed, dredging accumulated sediment, removing invasive species, seeding wild rice and planting native vegetation. This will increase the area and ecological function of wetland habitat and lead to increased habitat stability.

(2) Can the proposed action be expected to have a substantial impact on biodiversity and/or ecosystem function within the affected area (e.g., benthic productivity, predator prey relationships, etc.)?

Response: No. The selected projects are not expected to have any substantial impacts beyond a local level; the beneficial impacts on ecosystem function and species biodiversity would not be substantial at a regional or larger scale. As documented in the Final RP/EA, the selected projects are expected to result in major/moderate long-term beneficial impacts to plants and wildlife, providing additional habitat to support recovery of these sensitive communities and resulting in greater habitat complexity, diversity, and productivity. The projects are expected to increase the availability and quality of wetland habitat, including wild rice. As such there would be an expected increase in ecosystem

function and species biodiversity. Any potential adverse impacts are expected to be minimal, short-term, localized, and not expected to decrease function or species biodiversity.

(3) Can the proposed action reasonably be expected to have a substantial adverse impact on public health and safety?

Response: No. The selected projects are not expected to have any impacts on public health and safety. The implementation of the selected restoration projects would not present any unique physical hazards to humans.

(4) Can the proposed action reasonably be expected to adversely affect endangered or threatened species, their critical habitat, marine mammals, or other non-target species?

Response: No. The selected projects are not expected to adversely affect endangered or threatened species, their critical habitat, or other non-target species. Overall, the selected projects are expected to benefit species through improved habitat availability and function.

(5) Are significant social or economic impacts interrelated with natural or physical environmental effects?

Response: No. The Trustees do not expect there to be significant adverse social or economic impacts interrelated with natural or physical environmental effects of the selected projects. It is anticipated that the selected projects will provide positive social interactions with the natural environment.

(6) Are the effects on the quality of the human environment likely to be highly controversial?

Response: No. The effects on the quality of the human environment from the selected projects are not highly controversial. The selected projects are anticipated to have long-term, beneficial impacts to the human environment through improved public access to natural resources, and protected viewsheds. These impacts have not shown to be controversial.

(7) Can the proposed action reasonably be expected to result in substantial impacts to unique areas, such as historic or cultural resources, park land, prime farmlands, wetlands, wild and scenic rivers, essential fish habitat, or ecologically critical areas?

Response: No. The project areas and associated environment includes marsh and scrub shrub wetland, benthic habitat, a small creek, and river estuary. While these areas do contain unique characteristics, the selected projects are expected to be beneficial to the

unique ecological characteristics of the area, and improve ecological function. Furthermore, no unique or rare habitat would be destroyed due to the restoration alternative selected in the RP/EA. Additionally, members of local tribal entities (Bois Forte, Fond du Lac, and Grand Portage Bands of the Lake Superior Chippewa) participated in the NRDA and assisted with the development of the wild rice and cultural education components of the selected alternative. These cultural components would provide long-term benefits to the area by fostering a culture of stewardship and providing opportunities to connect to the rich history of the St. Louis River estuary.

Additionally, the projects will not adversely affect National Historic Places or cultural, scientific, or historic resources. Consultation with state, federal and tribal historic preservation offices pursuant to Section 106 of the National Historic Preservation Act will be undertaken for each restoration project that will be implemented.

(8) Are the effects on the human environment likely to be highly uncertain or involve unique or unknown risks?

Response: No. The project area is well known to the project implementers, and project implementation techniques are not unique, controversial, or untried.

(9) Is the proposed action related to other actions with individually insignificant, but cumulatively significant impacts?

Response: No. The Trustees evaluated the restoration projects selected in the Final RP/EA in conjunction with other known past, proposed or foreseeable closely related projects and determined that there are no significant cumulative impacts. The projects will only temporarily impact resources during construction activities and will utilize all BMPs to minimize these impacts. Cleanup activities and other restoration projects that may occur in the vicinity would similarly incorporate BMPs. Over the mid- and long-term, the project will be wholly beneficial with no potential for incremental contribution to significant cumulative impacts.

(10) Is the proposed action likely 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?

Response: No. As noted above, the project will not adversely affect National Historic Places or cultural, scientific, or historic resources, and all necessary consultations and concurrences will occur prior to project implementation.

(11) Can the proposed action reasonably be expected to result in the introduction or spread of a non-indigenous species?

Response: No. The Kingsbury Bay project expects to reduce invasive, non-indigenous species through species removal and the Kingsbury Creek watershed protection project will reduce the likelihood of invasive species establishment through improved hydrologic and ecological function and stability to reduce sedimentation within the bay which ultimately led to extensive invasive cattail growth.

(12) Is the proposed action likely to establish a precedent for future actions with significant effects or represent a decision in principle about a future consideration?

Response: No. The selected restoration projects are not expected to set a precedent for future actions that would significantly affect the human environment or represent a decision in principle about a future consideration.

(13) Can the proposed action reasonably be expected to threaten a violation of Federal, State, or local law or requirements imposed for the protection of the environment?

Response: No. Implementation of the selected projects would not require any violation of federal, state or local laws designed to protect the environment.

(14) Can the proposed action reasonably be expected to result in cumulative adverse effects that could have a substantial effect on the target species or non-target species?

Response: No. As described above and in the Final RP/EA, the Trustees evaluated the restoration projects and determined that there are no significant cumulative impacts.

DETERMINATION

Based upon an environmental review and evaluation of the "Final Restoration Plan and Environmental Assessment for the St. Louis River Interlake/Duluth Tar Site" as summarized above, it is determined that implementation of the restoration plan does not constitute a major Federal action significantly affecting the quality of the human environment under the meaning of Section 102(2)(c) of the National Environmental Policy Act of 1969 (as amended). Accordingly, an environmental impact statement is not required for this action.



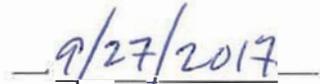
Patricia A. Montanio
Director, Office of Habitat Conservation
National Marine Fisheries Service



Date



David G. Westerholm
Director, Office of Response and Restoration
National Ocean Service



Date