

**FEDERAL HIGHWAY ADMINISTRATION
FINDING OF NO SIGNIFICANT IMPACT (FONSI)
for**

**Project SB SD09(02), PCN 02JN
Byway Lakes Enhancement Project
Peter Norbeck Scenic Byway on Bismarck, Horsethief & Lakota Lakes
Custer and Pennington Counties, South Dakota**

Submitted Pursuant to:

42 USC 4332(2)(c), 23 CFR 771.121(a), and CEQ 1506.3

by the
U.S. Department of Transportation
Federal Highway Administration
and
South Dakota Department of Transportation

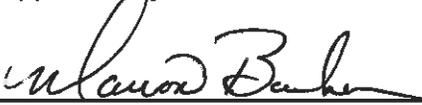
Submitted by:



Tom Lehmkuhl
Environmental Engineer
South Dakota Department of Transportation

08/21/2013
Date

Approved by:



Marion Barber, Environmental Specialist
Federal Highway Administration
116 E. Dakota Ave., Suite A
Pierre, SD 57501

8/26/2013
Date

Page Intentionally Blank

Introduction

The United States Department of Agriculture (USDA) Forest Service has proposed a project to remove lake sediments from Horsethief, Lakota, and Bismarck Lakes. The Byway Lakes Enhancement project was initiated to respond to recreation related needs identified within the three lakes. An Environmental Assessment (EA) analysis was conducted for this project action..

This EA addresses the use of Scenic Byway Grant funds from the U.S. Department of Transportation for the removal of sediment build-up from the bottom of three dams. Since Scenic Byway Grant funds are administered by FHWA and FHWA was not party to the USDA's EA, FHWA must independently evaluate the impacts associated with this project and issue a separate decision in accordance with the National Environmental Policy Act (NEPA).

FHWA has reviewed the USDA's EA and supporting environmental documentation, and has determined that they were prepared in compliance with the NEPA and with other applicable environmental laws, Executive Orders, and related requirements. Furthermore, FHWA has evaluated the social, economic, and environmental studies and analyses contained in the EA and find these studies and analyses were sufficient to independently evaluate the impacts of the improvements to the Byway Lakes Enhancement Project and issue this FONSI.

Description of the Proposed Project

The Black Hills National Forest developed a project action for removing sediment from Horsethief, Bismarck, and Lakota Lakes which are located along the Peter Norbeck National Scenic Byway in Custer and Pennington Counties, South Dakota. The purpose of the lake sediment removal is to improve water quality for fisheries and recreation. All three project lakes are formed by dams that were built 50 to 75 years ago and have become filled by sediment over time, which has negatively impacted water quality.

The proposed action would lower each lake's water levels during the fall of the year in which the sediment on the bottom would then be allowed to freeze in the winter months. The frozen sediment would be dredged and hauled to sediment storage sites of proximity. The lakes would be allowed to refill once the sediment is removed.

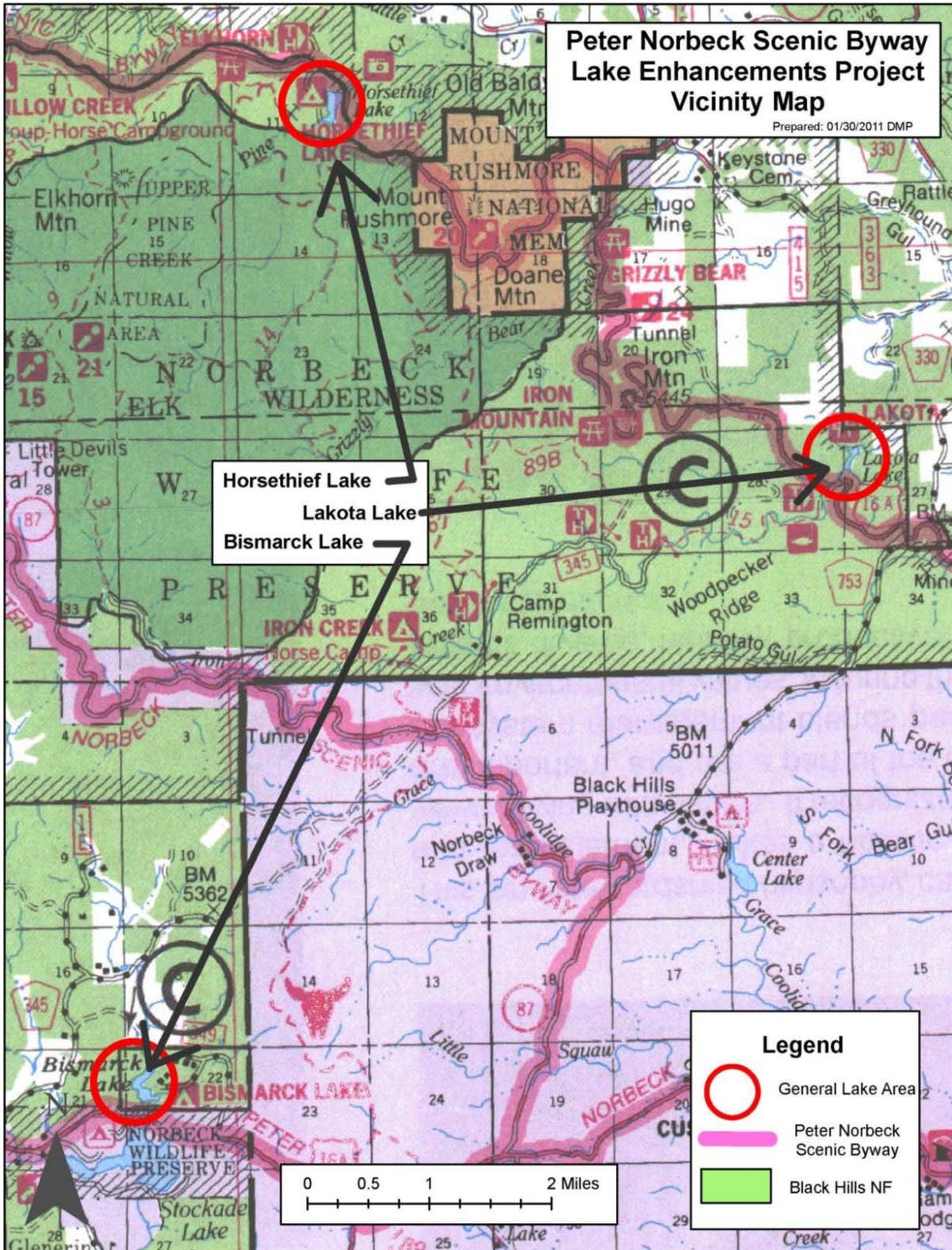
The location of each lake and associated sediment storage site are as follows:

Horsethief Lake is located approximately 3 miles east of Mt. Rushmore National Memorial on US Highway 244 in Sections 2 and 11, T2S, R5E in Pennington County, South Dakota. There are 2 associated sediment deposit sites located in the same Section, Township, and Range.

Bismarck Lake is located approximately ten miles east of Custer, SD and is accessed through Custer State park on US Highway 16A in Sections 15 and 22, T3S, R5E. The 1 associated sediment deposit site is located in the same Section, Township, and Range.

Lakota Lake is located approximately 4 miles south of Keystone, SD and accessed from Iron Mountain Road/US Highway 16A in Sections 27 and 28, T2S, R6E in Custer County, SD. There would be 1 associated sediment deposit site located in the same Section, Township, and Range.

Byway Lakes Enhancement Project Map



Environmental Consequences and Mitigation for the Proposed Project

The social, economic, and environmental impacts associated with the Modified Proposed Action were evaluated in the EA. The project will have no change to the following resources:

- Historical, archaeological, and cultural resources. SHPO concurrence received to a recommendation of *No Historic Properties*, dated 03/26/2013.
- Section 4(f). The purpose of this project is to enhance recreational facilities. The project is intended to address a purpose unrelated to the movement of people, goods, or services from one place to another therefore Section 4(f), codified under 23 U.S.C. 138 and 49 U.S.C. 303, does not apply to this assessment.
- Federally listed threatened and endangered species.
- Air quality, environmental justice, farmlands, noise, regulated materials, social environment, and wetlands.

The discussion below identifies the discrete impacts associated with the project.

Botanical, Fisheries, and Wildlife Resources: Minimal disturbances for approximately 6-8 months during lake drawdown and dredging activities. No further mitigation is required by FHWA.

Water Quality: Beneficial uses to the three lakes is predicted to be impacted in the short-term and will be restored once surface runoff refills the lakes after dredging is completed. A 404 permit will be obtained for each lake and conditions followed. No further mitigation is required by FHWA.

Public Safety: Public safety measures will be stipulated during construction activities to ensure the safety of the public. No further mitigation is required by FHWA.

Summary of Federal Highway Administration Mitigation Commitments

The EA identifies the planning, coordination, refinements, and commitments that have resulted in avoidance and minimization of environmental impacts. These actions are summarized in the USDA's EA document.

FHWA is required to commit to mitigation measures (if any) resulting from the proposed action. The impacts associated with the Scenic Byway Grant funded project at Horsethief Lake, Bismarck Lake, and Lakota Lake, as described in the EA, will have no significant impact on the human environment. All mitigation commitments applicable to the Scenic Byway Grant funded portion of the EA will be incorporated into the Modified Proposed Action.

Coordination with Agencies and Organizations

As indicated in the EA and supporting documentation, the USDA Forest Service, Black Hills National Forest has coordinated the Byway Lakes Enhancement Project with Federal, State, and local agencies, tribes, and non-Forest Service persons during the development of the EA. FHWA acknowledged designation as a cooperating agency on February 27, 2013 to the USDA Forest Service's lead Federal agency responsibilities. Public opportunity to comment was published in

the Rapid City Journal on June 12, 2013 and the comments received during the 30-day public review are addressed in *Appendix G: Response to Comments* of the USDA – Forest Service EA. A Draft Decision Notice and FONSI to the USDA – Forest Service EA have been provided and is pending a 45-day public review.

Finding of No Significant Impact

Based on CEQ 1506.3(d),

When an agency adopts a statement which is not final within the agency that prepared it, or when the action it assesses is the subject of a referral under Part 1504, or when the statement's adequacy is the subject of a judicial action which is not final, the agency shall so specify.

FHWA has made the following finding for Alternative 2 – Modified Proposed Action to the USDA Forest Service, Black Hills National Forest – Hell Canyon Ranger District project:

The FHWA has determined that the Byway Lakes Enhancement Project will have no significant impact on the human environment. This FONSI is based on the referenced Environmental Assessment (EA) and its supporting documentation, which has been independently evaluated by the FHWA and determined to adequately and accurately discuss the need, environmental issues, and impacts of the proposed project, and appropriate mitigation measures. It provides sufficient evidence and analysis for determining that an EIS is not required for this action.