

Section 1 - Project DataProject Name: Nanwalek Bulk Fuel Storage ProjectProject Site Address: Section 35, T9S, R16W, Seward MeridianCity: Nanwalek, Alaska County: Kenai Peninsula Borough**Project Description**(Provide a brief description of the proposed project, including a description of the present use of the property and a summary of the impacts to the surrounding community. Use additional pages if necessary.)**See Attached****Nanwalek Bulk Fuel Upgrade
Project Description and Summary****Purpose and Need** (Provide an explanation of the problems completion of the proposed project is intended to address.)

Existing community fuel storage and handling facilities are inadequate, do not meet current life, health, and safety codes, and pose a significant risk to public safety and the environment.

Project Alternatives(Provide a brief description of possible alternatives to the proposed project, including a description of the impacts if no action were taken.)

There are no apparent practical alternatives to this project. Code compliant and reliable fuel storage and handling facilities are requisite to support essential community facilities and infrastructure, as well as provide necessary residential heating and motor fuels. Consequences of not implementing the project include: continued increased risk to public safety and the environment from spills and fire hazard, fines, and potential for denial of necessary fuel deliveries by the Coast Guard or fuel companies.

Attach (if available) a community map showing the project location, a drawing describing the proposed project, and photographs of the existing site and surrounding properties

Refer to Corps of Engineers Request for Jurisdictional Determination included in the Flood Plain/Wetlands section of this Environmental Review Record.

Section 2 - Environmental Review Preparation**AIDEA/AEA Review / Preparation**Name: David Lockard, P.E. Title: Project ManagerAddress: 813 West Northern Lights Blvd.City: Anchorage State: Alaska Zip: 99503Phone: (907) 269-4541 Fax: (907) 269-3044 E-Mail: dlockard@aidea.orgSignature: *David Lockard* Date: 3-22-04**Preparer (if not AIDEA/AEA)**Name: Steven J. Stassel Company: Alaska Energy & EngineeringAddress: P.O. Box 111405City: Anchorage State: Alaska Zip: 99511-1405Phone: (907) 349-0100 Fax: (907) 349-8001 E-Mail: sstassel@ak.netSignature: *Steve Stassel* Date: March 16, 2004

Section 3 - Environmental Review Checklist

Resource	Potential Impact	Discussion / Documentation
Social / Economic Economic Impacts	+ 0	<p>(Provide a discussion of the reasoning behind the impact evaluation and document the resources used for the evaluation. This includes agency consultations and other references.)</p> <p>The project will reduce the likelihood of fines for non-code compliant fuel handling operations. Short-term benefits include: increased local employment and use of local services and retail outlets during construction. Long-term economic benefits include: code compliant fuel storage and handling facilities to support community infrastructure and residential fuel requirements. A new, code-compliant facility will help keep operations and maintenance costs low, while providing a reliable source of retail fuel to residents and businesses.</p>
Demographic Characteristics and Changes	+	The project is planned to facilitate estimated population growth and infrastructure development over the next 10 years.
Community Facilities, Services, or Safety	+	Community fuel storage and handling systems are inadequate and do not meet code. Potential fuel spills caused by dilapidated equipment and/or poor fuel handling practices present a direct hazard to residents and the environment. A new code-compliant facility will improve fuel storage capacity and handling, as well as spill and fire safety. The facility will provide reliable, long-term, code compliant fuel storage for community space heating for Council facilities and community residents.
Displacements	0	There will be no adverse displacements caused by the project.
Environmental Justice	+	The project is designed to comply with state and federal codes and environmental regulations. The result of this project will be to reduce potential negative impacts to human health and the environment of minority and low-income persons, as well as provide all persons long-term access to essential heating and motor fuels.
Cultural Resources Archaeological Sites	0	No Historic Properties Affected. Refer to attached correspondence from SHPO's office located in Historic Preservation section.
Historic Buildings or Districts	0	No Historic Properties Affected. Refer to attached correspondence from SHPO's office located in Historic Preservation section.
Air Quality	0	The project will not impact air quality
Water Quality Surface Water	0	The project is located adjacent to English Bay. All regulated fuel tanks are located within secondary containment. Tank farm dikes are lined with a membrane compatible with diesel and gasoline and sized to contain contents of the largest tank, plus 12-inches freeboard for precipitation. Storm water discharge from secondary containment will be conducted and documented in accordance with approved EPA SPCC regulations. A strip drain with sorbent boom will be constructed along the east side of the concrete vehicle slab to intercept spilled product, which may drain off the slab A NPDES permit is not required.

Resource	Potential Impact + 0 -	Discussion / Documentation <small>(Provide a discussion of the reasoning behind the impact evaluation and document the resources used for the evaluation. This includes agency consultations and other references.)</small>
Groundwater	0	Fuel tanks are located greater than 100-feet from public wells in accordance with State of Alaska Department of Environmental Conservation Drinking and Waste Water regulations.
Noise	0	Tank farm operation will not generate noise. Project construction will generate noise associated with the operation of heavy equipment.
Solid and Hazardous Waste	0	There are no known regulated underground storage tanks (USTs) at the project site. There are no known leaking underground storage tanks within one-half mile of the project. No hazardous wastes will be generated by the project. Solid wastes generated during construction will be disposed of in accordance with state and federal regulations.
Natural Resources Threatened and Endangered Species	0	The project is not located in a designated State Game Refuge, Critical Habitat Area or State Game Sanctuary. Refer to Endangered Species section. The U.S. Fish and Wildlife Service has issued a "No Listed Species Present" finding with regards to this project.
Essential Fish Habitat	0	The land and waters adjacent to Nanwalek have been determined to be an Area Meriting Special Attention (AMSA). The project complies with the Kenai Peninsula Borough Coastal Zone Management Policies.
Farmland Protection	0	No farm land exists at, or near, the project area.
Geomorphology	0	A portion of the tank farm area has been previously cleared of vegetation and consists of a gravel-filled pad. The remainder of the site will be developed. Excess peat will be removed and replaced with structural fill material. Included in the project is improved site drainage to route water flow from uplands around the project site. The project does not increase the potential for erosions or landslides.
Wetlands	0	A Section 404 Department of the Army Permit is not required. Refer to Corps of Engineers Jurisdictional Determination correspondence included in Floodplain/Wetlands section.
Wild and Scenic Rivers	0	There are no Wild and Scenic Rivers in, or near, the project area. Refer to Wild and Scenic Rivers section.
Coastal Zone Management	0	The project is located in the Kenai Peninsula Borough (KPB) coastal zone area. A Coastal Project Questionnaire and Certification Statement was submitted to the Division of Governmental Coordination (DGC). DGC responded "Review Not Required". The project design includes provisions to comply with the KPB coastal zone requirements as submitted on November 26, 2003.
Sole Source Aquifer	0	There are no Sole Source Aquifers located near or around the project area.
Floodplain	0	The project site is not located within the 100-year floodplain.
Other Issues		None identified.

Section 4 - Summary

Environmental Consequences Summary

(Summarize the checklist items that identified a potential negative impact and

describe the potential impact.)

NONE

Environmental Commitments (Describe the measures that will be taken to mitigate the Environmental Consequences summarized above, if any.)

NONE

Environmental Permits

(List any state, federal, or local permits required.)

Permits required for construction include:

- Fire Marshal plan review

Public Involvement

(Describe the public involvement activities performed for this project, if any.)

Several public meetings were held as part of the project development. On August 13, 2003 representatives of Alaska Energy & Engineering and the Alaska Energy Authority, Rural Energy Programs met with community officials, and concerned residents to discuss and review the project. Subsequent village council meetings were held to discuss and approve the Concept Design Report, project business plan, and site control documents. Community input was provided and incorporated into the project design.

Conclusion:

A finding of no significant impact is recommended for the above project. This finding would be based upon the project being completed as described above and in conjunction with the Environmental Commitments presented above.

or

Preparation of an ___ Environmental Assessment / ___ Environmental Impact Statement is recommended for the project.

Daniel Lee Brubaker / *Project Mgr.* *3-22-04*
Certifying Officer / Title Date