

Final Program Environmental Impact Report

**General Plan Amendment, Zone Reclassification, and
Final Map Subdivision, Town of Scotia
(State Clearinghouse No. 2007052042)**

Prepared for:

Town of Scotia, LLC (formerly the Pacific Lumber Company)

For submittal to:

**Humboldt County Department of
Community Development Services**



Consulting Engineers & Geologists, Inc.

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**January 2009
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Lead Agency:

**Humboldt County Department of Community
Development Services, Planning Division**

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January 2009

QA/QC:MKE 

Executive Summary

The Pacific Lumber Company (PALCO) submitted an application to Humboldt County to subdivide the Town of Scotia. An additional application was filed with the Local Agency Formation Commission (LAFCo) to form a Community Services District (CSD) to operate and maintain basic infrastructure.

The purpose of the subdivision is to create individual parcels for existing residential and commercial properties, and public facilities. The purpose of the CSD is to transfer some portion, or all of the services currently managed by the landowner, to a CSD in support of the subdivision. The CSD would be administered by an elected board of directors.

The proposed CSD and subdivision would require the changes to Humboldt County General Plan land use designations and zoning code. Humboldt County is the lead agency under the California Environmental Quality Act (CEQA).

A Draft Program Environmental Impact Report (PEIR) was prepared and circulated by the County for the required 45-day public review and comment period ending in January 2008. The purpose of the PEIR was to evaluate the potential impacts of the amendments to the County General Plan and zoning code (including the extension of the Urban Limit Line) and subsequent subdivision and formation of a CSD.

This is the Final PEIR, which includes responses to comments received during the public review period. The Final PEIR also includes any changes to the project description, environmental setting, impact analysis, mitigation measures, and monitoring program, presented in the Draft PEIR.

Change in Ownership

On January 18, 2007, PALCO filed for protection under Chapter 11 of the U.S. Bankruptcy Code. On July 8, 2008, the court issued its judgment and order confirming the Plan of Reorganization submitted by secured creditor Marathon Structured Finance Fund (Marathon), joined by Mendocino Redwood Company (MRC). Pursuant to that plan, most of the Town of Scotia's real and personal assets transferred to a reorganized entity wholly owned by Marathon, Town of Scotia Company, LLC (TOS) now the applicant and project proponent. Under the plan, the active Scotia sawmill facilities and other ancillary office buildings will transfer to a second reorganized entity, Humboldt Redwood Company (HRC) in which Marathon and MRC both have interests (United States Bankruptcy Court for the Southern District of Texas, Corpus Christi Division as "Case No. 07-20027-C-11" under the consolidated title, *In Re Scotia Development LLC, et al, Debtors.*)

Project Goals: Emergence of Scotia as an Independent Community

It remains a principal goal of the overall project to address and correct the essential anachronism of Scotia as a “company town.” For over 150 years, Scotia has functioned not so much as an independent community as it has been a corporate asset. In reality, Scotia has been an integral element of PALCO’s management of its resources—timberland, logs, lumber, and workforce. Resident employees powered the timber harvest and manned the manufacturing process, and all of it was owned and operated by PALCO as a manifestation of company patronage.

From and after the Chapter 11 Reorganization of The Pacific Lumber companies and assets, the Town of Scotia is no longer owned and operated by the same entity that manages hundreds of thousands of acres of timberland, and operates the sawmill, and log and lumber processing facilities. In this instance, those assets and resources are owned and operated by the Humboldt Redwood Company.

Marathon Fund acquired the rest of the town—the residential, commercial, and public utility facilities—largely because they were collateral assets securing reorganized debt. As a result, under the circumstances it is not practicable, feasible, or cost effective for Marathon to own and operate a company town over the long term. The “no project” alternative would clearly not serve the goals and objectives of the project or the interests of the larger community.

This project facilitates bringing Scotia into the 21st century while preserving its unique and historically significant character. With the creation of individual parcels for existing residential and commercial properties, with the dedication of existing public facilities under coherent ownership, management, and control by a Community Services District, Scotia will finally begin to function as an independent community, rather than as an asset of a “patron” corporation.

The emergence of Scotia as an independent community will benefit Humboldt County in many ways. First, there will be a significant increase in available and affordable homeownership as 272 Scotia “company” homes are sold to community members. Second, private ownership of homes and businesses will yield significant property tax revenues over the long term, all the while preserving and protecting the unique and historically significant character of Scotia.

Magnitude of Project

Changes to General Plan & Zoning

While the proposed project encompasses the entire Town of Scotia, including the industrial area, the magnitude of the project is relatively small. The project includes changes in General Plan and zoning designations to be consistent with what currently exists on the ground. Combining zones for Design Review (D), Planned Development (P), Noise (N), and Qualified (Q) address issues related to historic preservation, non-conformance of newly created lots with zoning regulations, existing residential areas in excess of County noise compatibility standards, and multi-car garage

lots respectively. In essence, the actions described above, while amending the General Plan and zoning code, will not result in significant environmental impacts (physical changes to the environment) as defined by CEQA.

Subdivision

The subdivision will create individual lots to be sold to private parties. In order to comply with County subdivision requirements, existing utility lines (water distribution, storm water collection, and wastewater collection) must be relocated within public right-of-way (existing roads). Existing utility lines that cross private property will be abandoned. Relocating utilities will require trenching within the roadways to install new lines. Additionally, a total of five newly created lots (three residential and two commercial) will be created as part of the subdivision. Development of these lots could involve some grading, trenching for utilities, and foundations. Approximately 5 existing conforming lots could possibly accommodate secondary dwelling units. Likewise, depending on the extent of initial development, secondary dwellings may be allowed in the 3 newly created residential lots. Relocation of utilities and development of vacant lots and secondary dwelling units could result in potentially significant impacts to the environment. In all cases, potential impacts have been reduced to less than significant by mitigation measures recommended in the Environmental Impact Report (EIR).

Community Services District

The CSD will provide a means for the community to operate and maintain the water and wastewater facilities, stormwater drainage system, and roadways not currently maintained by the County. The Scotia Volunteer Fire Department will be organized under the CSD. Of major concern to LAFCo, the body responsible for approving an application to form a CSD, is the adequacy of the water, wastewater, and storm water facilities to serve the community. The Draft PEIR concluded that the capacity of the infrastructure is more than adequate to accommodate water and wastewater demands for 5 additional lots and a possible 5 secondary dwelling units, in addition to the existing community that has been well served historically.

While many improvements are proposed for the water, wastewater, and stormwater facilities, these improvements are not related to overall capacity. Rather, these improvements include placement of utility lines in public rights-of-way and repair older utility lines. For the wastewater treatment facility, the improvements are required to meet the water quality requirements established by the California Regional Water Quality Control Board, North Coast Region (RWQCB) under its authority to administer the National Pollution Discharge Elimination System (NPDES permit). Many of these improvements involve mechanical and electrical upgrades that do not result in physical changes to the environment.

Formation of a CSD will not result in significant environmental impacts (physical changes to the environment) as defined by CEQA.

Program vs. Project Level Impacts

Typically, a program EIR is prepared when a series of actions can be characterized as one large project and are related, in this case, geographically. Changes to the County General Plan and zoning code and formation of a CSD are typical program-level actions that cover the existing residential and commercial areas of the Town of Scotia. These changes allow the General Plan and zoning classification to conform to what exists on the ground. Scotia is essentially “built out.”

Other than the creation of 3 new residential lots and 2 new commercial lots, and the possibility of a few secondary dwelling units, no new development will occur in the Town of Scotia. Changes to the County General Plan and zoning code and formation of a CSD will not result in significant environmental impacts (physical changes to the environment) as defined by CEQA.

A project EIR, on the other hand, examines the environmental impacts of a specific development project. Within the context of the PEIR, several project elements could lead to “development” and could result in project level environmental impacts. These elements include utility trenching necessary to relocate public utilities, asphalt overlay of roads affected by relocation, the development of 5 vacant lots, and the possible development of up to 8 secondary dwelling units. As is the case for project level EIRs, the PEIR evaluated the potentially significant impacts of these “projects” and proposed mitigation measures to reduce these impacts to less than significant levels.

Environmentally Superior Alternative

Alternatives Analysis

The Draft PEIR evaluated three alternatives that bracket the range of potential means by which to operate infrastructure and deliver utilities to Scotia residents and businesses.

One alternative is the “No Project” alternative. The “No Project” alternative assumes that no changes would occur (no changes in general plan and zoning, no subdivision, and no CSD) and would obviously result in the least potential for environmental effect. However, the “No Project” alternative would not allow the project to achieve any of its goals or objectives. As a result, the “no project” alternative is practicably infeasible. The Town of Scotia cannot be operated indefinitely under the ownership of Town of Scotia (TOS), which does not own or operate the timberlands and/or the forest products manufacturing facilities. While under a single entity’s ownership and control, the TOS was operated as an adjunct to the manufacturing process, with the reorganization following the PALCO bankruptcy, Scotia must follow a trajectory toward becoming an independent community.

The remaining alternatives, Annexation to Rio Dell (Alternative A), and Home Owners Association with private utilities (Alternative B), reflect different ways to operate and maintain the infrastructure. Both alternatives A and B would include a subdivision to create private lots within the residential and commercial areas of the community.

For the City of Rio Dell, annexation would require amendments to the City's General Plan and zoning code in order to bring actual land uses into compliance with City General Plan policies and land use designations and zoning regulations. Combining zones for design control, noise, planned development, and timber production would also be applied.

Similarly, with the Home Owners Association (HOA) Alternative, land use and planning would remain in County jurisdiction, but the project would include the same changes in County General Plan and zoning as the proposed project including the combining zones for D, P, N, and Q. Existing utilities would be held by private parties to own and operate within the existing town.

As with the proposed project, the changes in general plan and zoning required for annexation or HOA would not result in any significant or adverse "changes to the physical environment" as posited by CEQA. They are simply different ways of reorganizing the ownership of private residential and commercial lots. Under the various alternatives, the operation of the town's infrastructure would change. Under annexation, the City of Rio Dell would operate and maintain utilities; and under the HOA, utilities would be operated by private parties.

This reasonable range of alternatives reflects a scope or spectrum—some but not all possible scenarios—for organization and delivery of public services to the independent community of Scotia. Obviously, sub-alternatives may also exist, but they would not differ substantially from specified alternatives in terms of potential effects of implementation. No identified alternatives advance the goals and objectives of the project or applicant while posing lesser potential for impact. Any potential effects of the preferred project can be, and have been, mitigated to less than significant.

One permutation of the HOA alternative, the County Service Area (CSA) option, was not evaluated in detail, because, like the no project alternative, it would not advance the goals and objectives of the project or the proponent. Under such a scenario, a Homeowners Association would manage some features of community life through Covenants of Conditions and Restrictions, as with any subdivision. However, basic utility services such as water, sewer, and fire protection would be acquired and operated, maintained, and delivered by the County (Board of Supervisors). The County Service Area is a generally disfavored method for managing complex utility services, and it is seldom employed in Humboldt County. The arrangement would put undue fiscal and staffing-resource pressure on Humboldt County. CSAs are often a means of last resort for a community that cannot otherwise manage or afford a long-term solution to organized delivery of services.

This PEIR did not analyze "straw man" alternatives, which would be impracticable or infeasible to implement. However, the range of alternatives considered embraces the CSA in any event, as it lies on a continuum between the no-project, HOA, CSD, and Annexation alternatives, with characteristics of each.

In the Draft PEIR, the major issues involved in comparing the alternatives and the proposed project are related to protecting the historic status of the Town of Scotia and its historically significant structures, and options for wastewater treatment.

Historically Significant Resources

As anticipated, a historic resources report prepared as part of the Draft PEIR concluded that the Town of Scotia meets the eligibility requirements for historic district status, with the period of significance being between 1896 and 1959. Of 341 historic structures, the historic resources report identified 309 as “contributing.” The “contributing” designation also included the “...visible aspects of the streetscape as character-defining features.” Beginning in 1896, Scotia was laid out and developed prior to the advent of the automobile. Scotia has been modernized only to the extent necessary to allow automobiles and trucks to traverse local streets (TBA, October 2007).

The Humboldt County General Plan includes policies requiring protection of culturally significant resources and to avoid loss or degradation of these resources (see page 2-21 and 2-32 of the Draft PEIR). CEQA also requires that historically significant resources be protected.

In the review of the tentative map application, the Humboldt County Department of Public Works recommended all pedestrian facilities be upgraded or replaced to meet current standards of the Americans with Disabilities Act (ADA), and all County roads meet current minimum standards for new construction and upgrades set forth in the American Association of State Highway and Transportation Officials (AASHTO)’s *A Policy on Geometric Design of Highways and Streets*. Most of the roads in Scotia do not meet these standards.

The Draft PEIR, in the context of the historic resources report, concluded that implementation of the Public Works Department’s recommendations would result in a significant environmental impact to the historic resources. Rather than graft modern infrastructure standards onto Scotia, which would severely impact its historic character, the County should recommend reasonable alternatives that comply with the law and allow Scotia to protect its unique history.

The Draft PEIR determined that if the ADA requires any changes in the streetscape in the near-to mid-term, such changes would be modest. The Draft PEIR concluded that ready access is already being met. Existing curb ramps are in place. Some additional curb ramps may be required, but there is no ADA requirement that existing sidewalks be modernized with 4-foot widths and curb ramps at all intersections.

In formal discussions pertaining to annexation, the City of Rio Dell asked for full implementation of frontage improvements required for new development by the City’s subdivision ordinance. The City also asked for full compliance with the ADA. As with the County Public Works recommendations, full frontage improvements would adversely affect the streetscape and substantially change the overall aesthetic character of the town. This would result in a significant adverse impact that could not be mitigated to less than significant.

As with the proposed project, the HOA alternative would face the same conflict between Public Works recommendations and County and CEQA policies to protect historically significant resources. The County would need to reconcile the conflicts in a manner that complies with the law but protects the unique historic resources of the Town of Scotia.

Wastewater Treatment

For annexation, the Draft PEIR outlined two wastewater treatment options for the Scotia Wastewater Treatment Facility (WWTF). As required by the City of Rio Dell, Option 1 would involve the construction of a levee around the exiting Scotia WWTF to isolate the facility from the 100-year floodplain. Construction activities (such as, trenching, excavation, and filling) could disturb below ground archaeological resources, increase noise and air emissions, and result in erosion and sediment release adversely affecting water quality. These impacts would be subject to mitigation measures to reduce the impact to less than significant.

Option 2 would involve demolition of both the existing WWTFs in Rio Dell and Scotia, and construction of a new WWTF in Scotia that would treat combined wastewater flows from Scotia and Rio Dell. Being located in Scotia, untreated effluent from Rio Dell would have to cross the Eel River in order to be treated by a new WWTF in Scotia. This crossing could result in significant impacts to water quality and anadromous fish if it were to fail, resulting in spillage of untreated wastewater. In addition, construction activities (such as, trenching, excavation, and filling) could disturb below ground archaeological resources, increase noise and air emissions, and result in erosion and sediment release adversely affecting water quality. Depending on the location of the new facilities, construction could encroach upon biological and agricultural resources.

The HOA alternative would be very similar to the proposed project. Note, however, that the HOA would be ineligible to receive financial assistance under most state and federal programs; maintenance and upgrades for utilities and service systems (such as, water and wastewater) would have to be financed through private means, which could result in indirect impacts.

Summary

Largely as a result of the impacts on historic and cultural resources and the potentially significant impacts of crossing the Eel River with untreated wastewater as called for in the annexation alternative, the Draft PEIR concluded that the proposed project, subdivision and CSD formation, was the environmentally superior project.

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Acronyms and Abbreviations

AASHTO	American Association of State Highway and Transportation Officials
ADA	Americans with Disabilities Act
ASTM	American Society for Testing and Materials
BMPs	Best Management Practices
Cal-ARP	California Accidental Release Prevention
CCR	California Code of Regulations
CDF	California Department of Forestry and Fire Protection (aka CALFIRE)
CDMG	California Department of Mines and Geology
CEQA	California Environmental Quality Act
CFR	Code of Federal Regulations
CGS	California Geological Survey
CPR	Cardio Pulmonary Resuscitation
CSD	Community Services District
dBA	A-weighted decibels
DPR	California Department of Parks and Recreation
EIR	Environmental Impact Report
EMS	Emergency Medical System
ESA	Environmental Site Assessment
FEIR	Final Environmental Impact Report
FEMA	Federal Emergency Management Agency
FMS	Final Map Subdivision
GC	California Government Code
GIS	Global Imaging System
GPA	General Plan Amendment
gpd	gallons per day
HCDEH	Humboldt County Division of Environmental Health
HCP	Headwaters Habitat Conservation Plan
HOA	Home Owners Association
HPB	Humboldt County Planning and Building Department
HRC	Humboldt Redwood Company
ICBO	International Conference of Building Officials
LAFCo	Local Agency Formation Commission
Ldn	day-night average sound level
LOS	Level of Service
Marathon	Marathon Structured Finance Fund
MRC	Mendocino Redwood Company
NCIC	North Coast Information Center
NFPA	National Fire Protection Association
NPDES	National Pollutant Discharge Elimination System
NR	No Reference
OSHA	Occupational Safety and Health Administration
OX	Oxygen
PALCO	Pacific Lumber Company

Acronyms and Abbreviations, Continued

PEIR	Program Environmental Impact Report
PM-#	particulate matter less than the number indicated of microns in diameter
PSM	Process Safety Management
PUD	Planned Unit Development
RWQCB	California Regional Water Quality Control Board, North Coast Region
SDRC	Scotia Design Review Committee
SHN	SHN Consulting Engineers & Geologists, Inc.
SMA	Streamside Management Area
SVFD	Scotia Volunteer Fire Department
SWPPP	Stormwater Pollution Prevention Plan
THP	Timber Harvest Plan
TOS	Town of Scotia, LLC
USBC	United States Bankruptcy Court
USC	United States Code
USGS	United States Geological Survey
W&K	Winzler & Kelly, Consulting Engineers
WDR	Waste Discharge Requirements
WTF	Water Treatment Facility
WWTF	Wastewater Treatment Facility
ZR	Zone Reclassification

Zone Classifications

C-2	Community Commercial
CR	Community Recreation
D	Design Control Combining Zone
MH	Heavy Industrial
N	Noise Combining Zone
P	Planned Development
Q	Qualified Combining Zone
R-1	Residential One-Family
TPZ	Timber Production Zone
U	Unclassified

Chapter 1

Introduction and Background

1.1 Introduction

The Pacific Lumber Company (PALCO) submitted an application to Humboldt County to subdivide the Town of Scotia. An additional application was filed by the same project proponent with the Local Agency Formation Commission (LAFCo) to form a Community Services District (CSD). Humboldt County is the lead agency under the California Environmental Quality Act (CEQA).

The purpose of the subdivision is to create individual parcels for existing residential and commercial properties, and public facilities. The proposed subdivision would involve the sale of residential, commercial and some of the industrial lots (all of which are currently owned and operated by either TOS [successor to PALCO's Scotia assets following reorganization under Chapter 11 of the US Bankruptcy Code] or Humboldt Redwood Company [HRC] a second reorganized entity that primarily operates timberland and the sawmill) to individual property owners.

The purpose of the CSD is to transfer some portion, or all of the services currently managed by TOS, to a CSD in support of the subdivision. The CSD would be administered by an elected board of directors.

The proposed CSD and subdivision would require the following changes to Humboldt County General Plan land use designations and zoning code:

1. A General Plan Amendment to reclassify land use designations
2. A Text Amendment to the Humboldt County Code, Zoning Regulations, to allow for consistency in zoning classifications
3. A rezone from Unclassified (U) into five different zones
4. A Design Control (D) combining zone applicable to the portion of the project area subject to the proposed rezone, a Planned Development (P) combining zone applicable to the residential and commercial areas subject to the rezone, and a Noise Impact (N) combining zone to applicable residential areas subject to noise levels in excess of County noise compatibility standards. The project also proposes to apply a Qualified (Q) combining zone.
5. Extension of Urban Limit Line

The purpose of the General Plan amendment, text amendments to the zoning code, and rezone is to change land use designations and zoning to match existing land uses and to achieve consistency between land use designations and zoning. The purpose of combining zones is to address issues related to control, safeguarding, preserving, and enhancing areas of historical, scenic, civic, or cultural significance (D zone); to encourage planned developments to allow flexibility in the

administration of the development standards of the underlying principal zone (P zone); and address noise levels exceeding County noise standards (N zone). The Q combining zone will apply to existing 35 multi-car garage lots in the Residential-one family (R-1) zone, restricting the use.

The design review procedure established under the D combining zone and the incorporation of Scotia Design Guidelines would establish both the procedure and performance standards sufficient to reduce the potential for impacts on historic resources to insignificance.

The Scotia Volunteer Fire Department (SVFD) would be reorganized as part of the CSD.

The Draft Program Environmental Impact Report (Draft PEIR) was prepared for the proposed formation of a CSD and major subdivision. The intent of the PEIR was to evaluate the physical effects of the proposed CSD and subdivision in compliance with CEQA. Humboldt County Department of Community Development Services, Planning Division, is the lead agency under CEQA.

The Draft PEIR was circulated for the required 45-day public review and comment period in January 2008. The review period closed on February 25, 2008. A letter from the State Clearinghouse (Governor's Office of Planning and Research) acknowledged compliance with CEQA review requirements (Appendix A).

This Final EIR includes the following sections:

- Chapter 2. Response to Comments
- Chapter 3. Changes to Project Description
- Chapter 4. Changes to Environmental Setting
- Chapter 5. Changes to Impact Assessment, Mitigation Monitoring, and Reporting Program
- Chapter 6. Changes to Alternative Analysis
- Chapter 7. Changes to Other CEQA Considerations

A list of references and a list of preparers are also included as Chapters 8 and 9, respectively.

1.2 Background

On January 18, 2007, PALCO and subsidiary entities (Scotia Pacific Company, LLC., Scotia Inn, Inc., etc.) filed for protection under Chapter 11 of the U.S. Bankruptcy Code. Those proceedings allowed continuity of ordinary business throughout the processing of the Draft PEIR for the project. However, following preparation of the Draft PEIR and circulation for public and agency comment, but before preparation or circulation of the Final PEIR including responses to comments, the project was temporarily suspended during the final stages of reorganization.

In April and May 2008, the Texas Bankruptcy court conducted confirmation hearings in connection with various plans of reorganization submitted by secured creditors and other interested parties. On July 8, 2008, the court issued its judgment and order confirming the plan of reorganization submitted by secured creditor Marathon Structured Finance Fund (Marathon), joined by Mendocino Redwood Company (MRC). Pursuant to that plan, the entirety of the Town of Scotia

and its real and personal assets transferred to a reorganized entity, Town of Scotia Company, LLC (TOS). Under the plan, eventually the active Scotia sawmill facilities and other ancillary buildings will transfer to a second reorganized entity, Humboldt Redwood Company (HRC) in which Marathon and MRC, both have interests (United States Bankruptcy Court for the Southern District of Texas, Corpus Christi Division as “Case No. 07-20027-C-11” under the consolidated title, *In Re Scotia Development LLC, et al, Debtors.*)

At present, HRC has an interest of record in the Scotia sawmill and related log decks and lumber staging areas reflected by an easement, and HRC leases office building space in Scotia. Following subdivision or parcelization, either as part of the project or otherwise, these parcels will be formally transferred to HRC.

TOS became the record title holder of the Scotia lands and assets as of the effective date of the reorganization plan (July 30, 2008). Thereafter, TOS informed the Humboldt County Community Development Department, Planning Division that it intended to reactivate the project. Since the effective date of the plan of reorganization, TOS has undertaken to execute and deliver, adopt, assign, or amend, those agreements, documents and instruments necessary to implement the plan of reorganization and to effectuate the transactions contemplated in that plan to conclude the restructuring. These efforts continue.

As a matter of law and a consequence of the judgment and order confirming the plan of reorganization, on and after the effective date, July 30, 2008, TOS has full legal authority to operate the former PALCO Scotia businesses, to use, acquire, and dispose of property; retain, compensate, and pay professionals or advisors; settle causes or claims; etc. without any additional approval or supervision by the bankruptcy court or any other agency or entity except as may be expressly provided in the plan.

Chapter 2

Responses to Comments

The Draft PEIR was circulated to public agencies, placed at local libraries and other public locations for public review, and copies were made available for individual review.

Under the requirements of CEQA, the lead agency must prepare a Final PEIR responding to environmental comments received on the Draft PEIR and certify the Final PEIR (FEIR) before implementing the program or project.

A Final PEIR is to contain:

- the Draft PEIR (revised herein);
- copies of all comments or recommendations received by the lead agency during the Draft PEIR public comment period;
- a list of persons, organizations, or individuals commenting on the Draft PEIR (this requirement is met by the FEIR table of contents);
- the responses of the lead agency to "all significant environmental points" identified during the review process (included in this chapter); and
- anything else the lead agency determines should be added (CEQA Guidelines section 15132).

There were four comment letters delivered to the lead agency during the Draft PEIR public review and comment period. The respondents were:

1. City of Rio Dell
2. California Department of Forestry and Fire Protection
3. Local Agency Formation Commission (LAFCo)
4. Native Heritage Commission
5. Humboldt County Department of Public Works

It should be noted that the comment memo from Humboldt County Department of Public Works, Land Use Division was received during the internal County review of the Administrative Final PEIR. Responses to comments have also been included into the Final PEIR.

Each comment letter is given its own numerical designation. Within each comment letter, substantive comments about the content of the DPEIR are identified with marginal lines on the left side of each page. Each separate comment is given a distinct comment number, for example, for letter 1 (from the City of Rio Dell), each comment is numbers using the letter number and a consecutive secondary number, as follows: 1.1, 1.2, 1.3...). Copies of the original comment letters, in their entirety, are presented in Appendix B. A copy of the original comment letter from Humboldt Department of Public Works, Land Use Division is presented in Appendix B.

Comments that are speculative in nature or that simply express concern or make generalized inquiry are not substantive and may receive little or no response.

1) Letter from the City of Rio Dell (February 21, 2008)

Executive Summary

Comment 1.1 *Pages xii and xiii: The PEIR indicates there would not be land use, population and housing, public services, utilities, or traffic impacts associated with the proposed project. The PEIR should account for some second unit development on subdivided residential parcels. Also, the Industrial General (IG) and Heavy Industrial Qualified (MH/Q) areas include vacant land (i.e., the sedimentation pond, and large outdoor lumber storage areas east and west of Hwy 101) which could be developed with industrial and other uses under the proposed designation and zoning. Please evaluate buildout of these areas to allowable density and intensity permitted under the proposed County general plan and zoning designations.*

Response: The town is currently built out to capacity, and no changes to industrial areas are planned. The project will create only 3 buildable residential lots, 2 buildable commercial lots, and no vacant industrial lots. Very few secondary units could be developed on the new residential parcels. Development of a second residential unit must be consistent with the yard setbacks, maximum lot coverage, maximum structure height, and parking requirements applicable to the zone designation of the parcel.

The vast majority of these parcels are “substandard” when compared to County Zoning requirements for Residential One-Family zone especially regarding lot sizes, yard and maximum ground coverage requirements, thus the necessity of the Planned Development (P) combining zone. The PD combining zone allows these non-conforming lots to be created because the town was developed prior to the zoning code being adopted. In essence, with the PD overlay, existing non-conforming standards become the standards for each individual lot. However, County code does not allow a lot that does not comply with the code to change in a way that further exacerbates non-compliance. Simply, there is not adequate space for most residential zone lots to accommodate secondary dwelling units. Of the existing residential lots, only 11 conform to current zoning requirements. Of those 11, only 5 have adequate size or yard dimensions or maximum lot coverage to accommodate secondary dwelling units. At this time, it is speculative to say that the three vacant residential lots would support second dwellings, because it would depend on the extent of site development. Nonetheless, serving these additional units is well within the capacity of the water and wastewater systems in place for the Town of Scotia. These secondary units would not result in a significant impact to land use, population and housing, traffic, public services, or utilities.

The industrial areas of the town zoned Heavy Industrial/Qualified (MH/Q) will be used by the Humboldt Redwood Company as they continue to harvest timber and produce lumber at the Scotia mill. Essentially, areas used for outdoor lumber storage and the sedimentation pond will continue to be used as part of the lumber mill operations and are not considered vacant. No plans exist to change from lumber production to some other industrial use in the foreseeable future. The subdivision and formation of a CSD will not result in changes to this existing condition.

Introduction

Comment 1.2 *Page 1-2: A Planned Development ("P") combining zone is proposed to encourage planned developments. If as stated, there would be no new development in Scotia with the exception of several small vacant residential lots, please clarify the purpose and use of the combining zone.*

Response: Section 1.9.4.8 Development Plan (pages 1-2 of the Draft PEIR) addresses the use of the Planned Development combining zone as restated below:

The PD combining zone would be applied to the portion of the project area to be zoned R-1, Community Commercial (C-2), and (Community Recreation (CR), as well as the Stanwood A. Murphy school site, which is to be zoned Public Facility (PF-1).

The PD combining zone is a requirement for the subdivision, because many of the tentative map lots do not meet the normal development standards required in the underlying zones.

The development plan (Appendix B in the Draft PEIR) prepared for the proposed project identifies proposed lots that do not meet the development standards (are substandard) of the underlying zone. Additionally, a summary of complying and non-complying lots are presented in Table 1-3. Existing standards for each proposed lot are presented in the development plan. The existing non-complying standards, under the PD combining zone, are interpreted as "applied development standards." Put another way, the existing conditions for each lot that does not comply become the standards for each lot.

Comments 1.3 *Page 1-2: The proposed Tentative Subdivision Map is a project-level action (e.g., potentially, no further discretionary action subject to CEQA required). A Program/Project EIR would be the appropriate CEQA document to support the statements in Sections 1.3 through 1.5, that a potential impact will undergo CEQA review at a project-level stage.*

The project application before the County is a General Plan Amendment (GPA), Zone Reclassification (ZR), Final Map Subdivision (FMS), Planned Unit Development (PUD), and Extension of the Urban Limit Line. The "intent of the Program EIR" is to evaluate the environmental effects (including physical, biological, and social effects) of the proposed GPA/ZR/FMS/PUD in compliance with CEQA. Additionally, LAFCO, as a responsible agency, will use the document to provide for CEQA analysis for their actions related to the project.

Comments 1.4 *Page 1-8: The proposed extension of the Urban Limit Line "...to allow for reduced setbacks from streams...." was not evaluated in the hydrology or biological resources sections of the PEIR. The PEIR must evaluate the water quality and biological resources impacts of allowing urban development closer to existing streams and the Eel River under the proposed project.*

Response: In addition to the Eel River, which borders Scotia to the west, there are two unnamed tributaries to the Eel River that pass through the log decks at the south end of Scotia. These unnamed tributaries do not traverse any residential development and no new industrial uses are proposed as part of this project. The project does not propose changes to the existing development adjacent to the Eel River.

An urban limit line is being applied to the project because the Town of Scotia fits the definition of an urban development area under the County's General Plan in that it is developed at a density greater than one dwelling unit per acre and public sewer and water systems with adequate capacity are available. (Humboldt County Framework Plan, Sections 2633.1 - 2633.5). Urban limit lines and related policies did not exist when the town of Scotia was established. The current setbacks will not allow urban development to encroach further on existing Streamside Management Areas (SMAs) because any new development beyond existing conditions would be subject to the Streamside Management Ordinance, if applicable. The Scotia project proposes no new development within either SMA width. It is basically dealing with an already developed community; therefore, the subdivision and formation of a CSD will not result in changes to these conditions.

Comment 1.5 Page 1-18: The text indicates that “The WWTF will be required to treat projected flows and loadings based on full residential occupancy, existing commercial connections, existing industrial, and additional commercial sources including the reuse the former Mill A facility.” However, the PEIR does not make any growth assumption for second residential units despite that these are permitted under the proposed land use designations/zoning, and there are large vacant and underutilized industrial areas in Scotia (e.g., vacant areas, log storage areas, sedimentation pond) and that could be developed with new industrial uses. The development of these areas is highly possible given PALCO’s Chapter 11 status. Under these circumstances, would the WWTF have sufficient capacity to serve the development that could potentially occur in Scotia under the proposed project? Any WWTF upgrade to provide the required capacity should be evaluated.

Response: See response to comment 1.1. With the PD combining zone, the majority of the residential lots created by the subdivision will be legally substandard and will not have adequate space to accommodate a significant number of secondary dwelling units. Any changes to existing industrial operations are speculative and not part of this project, and would be expected to occur under any of the “project” alternatives. Current industrial uses are expected to remain the same, and log storage areas and the sedimentation pond will continue to be used. Engineering studies have concluded that the existing Wastewater Treatment Facility (WWTF) historically handled wastewater flows and loads substantially greater than those that will exist after completion of the collection system upgrades proposed as part of the project. The WWTF is expected to have sufficient capacity to serve the newly created residential and commercial lots (SHN, November 2007). The subdivision and formation of a CSD will not result in any need to increase capacity of the WWTF.

Nonetheless, a new commercial source of wastewater, whether resulting from reuse of Mill A or from other changes to existing industrial operations, would require CSD authorization. At a minimum, the CSD will establish conditions of approval requiring pre-treatment and monitoring of the wastewater stream for hookup connection.

Comment 1.6 Pages 1-16 through 1-20: All the infrastructure improvements, WWTF upgrades (including collection, treatment and disposal), storm water collection system upgrades, road improvements, etc., are a part of the proposed project and not part of separate projects under CEQA. Please evaluate the impacts (traffic, biological, water quality, geological, etc.) associated with utility line trenching, development of new

infrastructure, and disposal of treated wastewater in the PEIR. Provide plan and impact analyses related to these improvements in the PEIR (rather than separate CEQA documents, MSRs, NPDES permit applications, etc.).

Response: Utility trenching will be required to upgrade water distribution and wastewater collection piping (see pages 1-19 and 1-20 of the Draft PEIR). Water distribution lines 3-inches or smaller will be replaced. The residential and commercial wastewater collection system will be relocated and reconstructed using 6-inch pipe. All service laterals will be replaced using 4-inch lines. New manholes and cleanouts will be installed for residential and commercial areas. Existing manholes in industrial property will be repaired as necessary.

Existing distribution lines that cross proposed private properties will be abandoned. Water and wastewater replacement lines will be installed within public rights-of-way of existing roads.

Water Quality

A Stormwater Pollution Prevention Plan (SWPPP) will be prepared as part of the engineering design for utility line replacement. This plan will control erosion, and ensure that runoff and sediment do not reach the Eel River. The SWPPP will be included as a mitigation measure for water quality impacts (See “Chapter 5: Changes to Impact Assessment, Mitigation Measures, and Monitoring Program”).

Disposal of treated wastewater is discussed on pages 1-18 and 1-19 of the Draft PEIR and briefly restated here: During the summer, treated wastewater is stored in the existing log pond. During the winter, treated wastewater will be discharged into the Eel River. An Army Corps of Engineers permit, Section 401 Water Quality Certification (from the State Water Quality Control Board), and a Department of Fish and Game 1603 agreement allow for the construction of a temporary pond for summer use. The pond is removed annually. A National Pollution Discharge Elimination System (NPDES) permit issued by the California Regional Water Quality Control Board, North Coast Region (RWQCB) includes Waste Discharge Requirements (WDRs) that prohibit discharge of treated wastewater to the Eel River from May 15 through September 30 of each year. Discharge to the river is allowed from October 1 through May 14 not to exceed 1% of the flow of the Eel River. Ongoing monitoring requirements ensure compliance with the NPDES/WDRs. Impacts to water quality will be eliminated by complying with the discharge requirements. No separate impact assessment is necessary.

Traffic

For the utility line upgrades that occur within public rights-of-way of County-owned roads, an encroachment permit will be required to perform work within County right-of-way. A traffic control plan will be submitted by the contractor identifying road closures and detours necessary to install new utility lines. Any changes in traffic flow will be temporary and return to normal upon completion of construction. The encroachment permits will be included as mitigation measures for traffic-related impacts (See “Chapter 5: Changes to Impact Assessment, Mitigation Measures, and Monitoring Program”).

Biological Resources

No biological resources exist in the immediate vicinity of the existing road system. The SWPPP will control drainage and runoff during construction and eliminate any off-site water quality impacts (Eel River) to biological resources.

Soils and Geologic Resources

The relocation of water distribution and wastewater collection systems within public rights-of-way of existing roads will involve trenching, piping, cleanouts, manholes, engineered backfill, and a 2-inch asphalt overlay. The encroachment permit approved by the County will incorporate Best Management Practices (BMPs) to manage runoff and may require a traffic control plan during construction. The piping systems will incorporate standards for installing utilities in a seismically active area.

Comment 1.7 Page 1-22 through 1-25: *Because there is no guarantee that LAFCo will approve the CSD, the conditions of approval of the Subdivision Map should include a requirement that PALCO be responsible for providing all services and utilities to the subdivided parcels in the event that the CSD is not approved.*

Response: Comment noted. As discussed in section 1.2, on July 8, 2008, the Texas Bankruptcy court approved a reorganization plan submitted by Marathon Structure Finance Fund and Mendocino Redwood Company. Pursuant to that plan, the entirety of the Town of Scotia was transferred to a reorganized entity, the Town of Scotia, LLC (TOS). Under the plan, the active Scotia Sawmill facilities and other ancillary buildings were transferred to a second reorganized entity, the Humboldt Redwood Company (HRC).

Section 2.1: Land Use and Planning

Comment 1.8 Page 2-5: *One of the functions of the setbacks of the existing Urban Limit Line is to protect the water quality and biological values of area streams and the Eel River. Under the project, this line would be adjusted to allow for reduced setbacks from streams and the river. An analysis must be added to Section 2.1 of the PEIR of this adjustment with respect to the applicable impact evaluation criteria, specifically whether this would conflict with applicable land use plans, policies, or regulations adopted for the purpose of avoiding or mitigating an environmental effect. This adjustment will result in significant land use, water quality and biological impacts, and these impacts must be analyzed in the PEIR.*

Response: See responses to comment 1.4 above.

Comment 1.9 Page 2-6: *Under Impact 2.1.2, it is concluded that the proposed plan complies with applicable [County] land use policies, but the PEIR does not list these policies (as was done for housing in Section 2.2.2), and does not describe how the project is consistent with them. These policies and analysis must be added to the PEIR.*

Response: The applicable land use policies are listed in Section 2.1.2 on pages 2-2 and 2-3 of the Draft PEIR. Discussion on how the project is consistent with County policies is on page 2-6 of the Draft PEIR.

Comment 1.10 Page 2-6: *Impact 2.1.3 concludes that the proposed project is consistent with the PALCO HCP but provides no analysis to make this conclusion. The fact that PALCO does not wish to have its HCP applicable to Scotia does not change the fact that Scotia is subject to the HCP. The analysis supporting the conclusion of a less than significant impact must be added to the PEIR.*

Response: Scotia now has more than 10 years of experience operating under, and in compliance with, the Headwaters Habitat Conversation Plan (HCP). No agency, entity, or official has ever asserted or alleged any form or event of noncompliance. A wide variety of substantial activity has occurred throughout Scotia over this extended period, including daily use of industrial lumber production, log transport, hardwood chipping and grinding, sawmill, and earthmoving heavy equipment and trucks (Bacik, October 15, 2008).

In addition, over the last decade, Scotia has experienced every aspect of daily life in this company town located along one of Northern California's busiest highways, from commercial and residential traffic to highway construction and infrastructure excavation. Never once, through any of this intensive activity, has there ever been any issue of consistency with the HCP (Bacik, October 15, 2008).

Every sort of present and planned municipal, residential, commercial, and industrial activity remains consistent with the HCP because that wildlands habitat resource conservation planning document in no way proscribes or conditions any such activity, in Scotia or any other municipal or town center (Bacik, October 15, 2008). The HCP governs timber operations. None are planned or proposed in connection with the project.

The HCP nowhere references any limitation on use or activity, or makes any mandate for monitoring or mitigation regarding the town of Scotia. This is because these municipal lands were never intended to be part of the HCP, for Scotia presents poor quality habitat value for, and no know presence of, any HCP covered species in any event (Bacik, October 15, 2008).

The HCP does not qualify or restrict activities in Scotia. The decision was made by the HCP wildlife and resource agencies to exclude analysis of all activities except timber management, timberland road and landing construction, maintenance and closure, and scientific surveys and studies in wildland habitats. Neither the HCP nor the associated Incidental Take Permits included any of the activities associated with the Town of Scotia or adjacent and related activities.

In summary, the activities that occur within and around the Town were neither addressed in the HCP, nor analyzed in the Headwaters FEIR-EIS (Environmental Impact Study) because the municipal Scotia lands on which those activities occur were never intended to be part of the HCP (Bacik, October 15, 2008).

Section 2.2: Population and Housing

Comment 1.11 Page 2-9: *The PEIR concludes a less than significant impact (e.g., the project will not induce substantial population growth). However, under the project the residential neighborhoods in Scotia would be subdivided, and the existing residences would be converted from rental units for PALCO employees to market rate units (and units subject to large CSD assessments). The PEIR does not disclose the possibility*

that: (1) this could displace up to 800 existing PALCO residents; (2) that these displaced residents could create a demand for housing elsewhere; and (3) that the 273 existing residential units in Scotia could subsequently be occupied by new residents that can afford the market rate units. Therefore, the proposed plan could induce substantial population growth. This must be evaluated in the PEIR.

Response: TOS will honor the priorities set by PALCO for purchase of existing and new residential property upon approval of the subdivision as repeated below:

- Priority Level 1:** TOS/HRC employees who currently live in their homes
- Priority Level 2:** TOS/HRC employees who would like to move back to Scotia
- Priority Level 3:** Employees of the school and town businesses, who currently live in Scotia
- Priority Level 4:** TOS/HRC and PALCO retirees who would like to live in Scotia
- Priority Level 5:** Sales to outside buyers

Of the 272 residences in the Town of Scotia, 250 are currently occupied by company-related families. This includes employees of 1) the mill and timberland operator (HRC), 2) employees of the Town of Scotia Company, LLC (TOS) and its facilities and services, or 3) contractors, consultants, or employees of contractors and consultants, who provide important products or services for HRC or TOS. Rentals in Scotia have recently been made available to the general public, and strong interest has been noted generally, with a very low vacancy rate.

At any given time approximately, 5 homes are vacant, generally when in transition; under repair; or in the process of being cleaned, painted and prepared for new tenants.

The Draft PEIR did acknowledge that, over time, the social fabric of the community could change. Future residents may or may not have any connection with Scotia as a timber town or with the timber production heritage. This change, however, is not a change recognized by CEQA which deals with effects “related to a physical change.”

The project is not expected to result in displacement of substantial numbers of people or create a demand for housing elsewhere. The Town of Scotia is considered built-out and will not induce substantial population growth. See response to comment 1.1.

Comment 1.12 *Page 2-9: Per our comments on page 2-9 and Chapter 5, the proposed plan could displace existing residents of Scotia (e.g., would displace existing people). Please evaluate this impact.*

Response: See response to comment number 1.11 above.

Section 2.3: Public Services

Comment 1.13 *Page 2-11: Under Section 2.3.2, it is stated that no specific policies in the Humboldt County General Plan Volume I are relevant to the project. There are County General Plan public services policies applicable to the project. Please analyze consistency of the proposed project with these policies.*

Response: The Humboldt County General Plan Volume 1, Framework Plan includes policies related to roads, ports, rail, and airports. The County is currently responsible for maintaining the

following streets in the community of Scotia: Main Street, B Street, Bridge Street, Church Street, Eddy Street, Mill Street, North Court, north Court B, Williams Street, Mill Lane, 1st Street, 2nd Street, 3rd Street, 4th Street, 5th Street, and 6th Street. TOS conducts some street maintenance.

Applicable policies are listed below:

Section 4231 Roads of Vol. 1 Framework Plan

2. Humboldt County supports improvements and maintenance of public access roads to natural resource areas designated for timber production, agriculture, and mining.
3. Significant increase in traffic volumes and turning movements on and off a major expressway/freeway at high volume at grade intersections should be discouraged.
6. Humboldt County recognizes that the era of abundant and inexpensive energy has ended. Energy considerations must become a critical element in all policy decisions involving the selection and use of transportation systems.
8. Encourage the development of a road system that supports an orderly pattern of land use.

The road network in Scotia is consistent with County policies. Scotia is one of the few “walkable communities” in Humboldt County (and the State of California). Built before the advent of the automobile, road layouts and locations of housing, commercial and industrial properties in addition to parks and recreation facilities are all within reasonable walking distance. The railroad serving the Town of Scotia is not currently operable. There are no transport waterways, ports, or airports in Scotia.

Comment 1.14 *Page 2-12: The project could potentially displace existing Scotia residents, requiring them to find housing elsewhere, and could attract new residents to Scotia (see comments on page 2-9 and Chapter 5). This would create substantial demand for additional fire/police protection, school, park, and other public services wherever the existing residents relocate to, and may require the construction of new service facilities and schools. This must be evaluated in the PEIR. Also, Section 2.3 doesn't document, evaluate and mitigate the public services impacts associated with the incremental increase in the demand for public services that would be created by buildout of the vacant industrial land and underutilized industrial land (e.g., log storage areas, sediment pond) to the maximum density and intensity of development permitted under the proposed land use designations/zoning.*

Response: See responses to comments 1.1, 1.5 and 1.11 above. No increases in the demand for public services are expected as a result of the proposed project.

Comment 1.15 *Page 2-14: With respect to water supply, the text states the “...new or expanded facilities should not be needed.” The PEIR must make clear whether new water facilities “will” or “will not be” needed, rather than use “should not be.”*

Response: Comment noted. New or expanded water facilities will not be needed. The stated capacity of the water storage system is 800,000 gallons per day (gpd). Currently, an approximate average of 484,400 gpd are used. See also the response to comment 1.44 for more discussion.

Comment 1.16 Page 2-16 and -22: It is our understanding that Scotia is not “currently in compliance” with the discharge requirements of the NPDES, and is not in compliance with the existing Cease and Desist Order, WDR, and other RWQCB orders. Also, based on the setting information in the PEIR, substantial wastewater collection, treatment and disposal system improvements/upgrades are needed to service both existing conditions and the proposed project. The PEIR doesn’t document that the RWQCB has ordered PALCO to find alternatives to both the existing summer percolation pond on an Eel River gravel bar (which is within the 100-year floodplain of the river) and to winter river discharges (e.g., has ordered PALCO to use land disposal instead of river discharge).

Response: The RWQCB has not ordered the Scotia WWTF to find alternatives to winter river discharges. The Scotia WWTF is in compliance with the discharge requirements of its NPDES permit and the 2006 Cease and Desist Order.

Existing NPDES permit issues for the wastewater and residential and industrial stormwater discharges are being addressed under the appropriate regulatory review processes and are not part of this CEQA review process. The proposed project would not result in new impacts to the wastewater collection, treatment, and disposal system.

Comment 1.17 Page 2-17: The “...reuse located in the former Mill A facility” was not in the project description. If further reuse of Mill A would occur under the project, this needs to be documented in the project description, and the utility (water, wastewater, etc.) demand, public services demand, historical resources impacts, etc., of the reuse evaluated in the PEIR.

Response: The Eel River Brewing Company is an existing condition that is part of Mill A operations, and requires no modification of the building exterior. Water and wastewater treatment capacity is adequate to support the brewery operations. Pre-treatment of the brewery wastewater was recommended before discharging to the Scotia wastewater treatment plant (SHN February 22, 2008). TOS is currently negotiating with the Eel River Brewing Company to establish the terms of its new lease following the change of ownership subsequent to the PALCO bankruptcy; this lease will include conditions of approval requiring pre-treatment and monitoring. See also response to Comment 1.5 above.

Comment 1.18 Page 2-19: Please document the existing used and unused capacity of the Scotia stormwater drainage system; quantify the increase in stormwater flows that could occur with development of the vacant areas, lumber storage yards, and sedimentation pond; and include an evaluation of whether the existing stormwater drainage system is adequate to accommodate the increased flows, and if not, what improvements are required.

Response: See response to comment 1.1 above. Scotia’s growth is limited by available land and lot sizes; for all practical purposes, the town has reached its maximum capacity and is built out. The proposed project will not result in an increase in demand for stormwater drainage.

Comment 1.19 Page 2-19: Please identify the quantity of solid waste currently generated in Scotia, the land fill(s) that receives the waste, the existing used and unused permitted capacity of the landfill(s), and the projected shut down year of the landfill(s).

Solid waste collection and disposal is provided by Eel River Disposal & Resource Recovery. According to Eel River staff, the quantity of solid waste collected in Scotia is not accounted for separately from other unincorporated areas; one truck provides collection in residential areas once a week, and other waste is collected at the Fortuna transfer station and various drop-off locations in the area (Karen Smith, personal communication). Typical residential waste generation rates are on the order of 0.44 tons per person per year in Humboldt County (California Integrated Waste Management Board, 2007), which corresponds to approximately 375 tons of waste per year for Scotia.

Scotia is within the County jurisdiction and the County is a member of the Humboldt Waste Management Authority. Scotia solid waste is disposed at the transfer station in Eureka. From there, the waste is transported by truck to existing, permitted disposal facilities, either Anderson Solid Waste Disposal Site in Shasta County, California, which is expected to close in 2055; or Dry Creek Landfill near Medford, Oregon, which is expected to close in 2090. The project will not involve a significant increase in population or other activities that might result in a significant increase in solid waste.

Comment 1.20 *Page 2-20: The text states that 75% of the existing streets in Scotia will require repair. The repair of these streets must be included as a condition of approval of the Tentative Subdivision Map and CSD formation, and PALCO rather than the County must be responsible for funding these repairs since it is PALCOs subdivision map that is triggering the need to repair the streets. Further more, the repairs must be made prior to occupancy of any subdivided lots as required by State subdivision regulations.*

Response: Comment noted. The County is expected to condition the Tentative and Final Subdivision Map to require street repairs. The project applicant will bond, finance, or complete conditions, including the required repairs to area roadways.

Comment 1.21 *Pages 2-22 through -24: Please provide a basis for the conclusions that the proposed project will result in “no impact” or a “less than significant” for water, wastewater and drainage facilities, and for landfill capacity. Utility and landfill demand will not remain the same under the project as contended in the analysis. The analysis does not quantify the increase in water demand, wastewater generation, stormwater runoff, or solid waste generation that would occur under the proposed project related to the increase in development that could occur in the existing residential areas with the development of second units, in the existing vacant and underutilized parcels in Scotia (e.g., log storage yards, sedimentation pond), and the redevelopment of the Mill A site. Please identify the existing used and unused capacity of the existing wastewater system, storm drainage system, or applicable landfill(s), the increase in water demand, wastewater generation, stormwater runoff, or solid waste generation under the proposed project, and evaluate whether the existing systems and landfills are adequate to accommodate the project.*

Response: See Responses to Comments 1.5, 1.6, 1.11, and 1.19 above.

Comment 1.22 *Page 2-22: The text states that no new water or wastewater treatment facilities or expansion of existing facilities would result from the CSD and subdivision. This would not account for the upgrades and repairs to the Scotia WWTF as discussed throughout the PEIR. For example, Page 2-34 states “The proposed repairs to the existing Scotia WWTF incorporate upgrades to minimize the risk of the facility’s location within the 100-year floodplain, provide redundancy for major treatment processes, and increase the secondary*

treatment capacity.” The proposed improvements also include replacement of all collection piping, land disposal of treated wastewater, and changes in the method and location of biosolids disposal. Please analyze the upgrades and repair impacts (e.g., biological, cultural, water quality, odors, utilities, etc.).

Response: The existing WWTF is currently operating below capacity and meets the waste discharge requirements of its NPDES permit. The upgrades and repairs are not, and do not require, new facilities. The water distribution and wastewater collection systems are being upgraded to bring utilities in compliance with the County subdivision regulations. No changes in methods of disposal for biosolids and wastewater are planned. See discussion of biosolids disposal in the Draft PEIR, Chapter 2, Section 2.3: Utilities and Service Systems, under wastewater (pages 2-14 and 2-15).

Comment 1.23 Page 2-29 and -30: Scotia was found to be eligible as a historic district, with 309 structures identified as “highly significant,” and to represent “...the last company-owned town of its kind in California” and thus is of “...regional and statewide importance.” If PALCO were really concerned about the historic integrity of the district as it contends multiple times in the PEIR and as included as Project Objective #6 (1-8), it would establish a historic district with the state as part of the proposed project. This is because, if subdivided, it would make it more difficult to establish the district (e.g., many property owners to deal with instead of a single owner).

Response: Comment noted. Korbel is also a company town. The included Design Review process and Design Guidelines obviate the need for District designation by offering strong protections for the historical and cultural resources of Scotia. The Design Review process and Design Guidelines address demolition, modification, and new construction activities. Moreover, it is the intent of the Design Guidelines to allow a later District designation if it is deemed necessary.

Comment 1.24 Page 2-29: Please include National Register and California Register of Historical Resources eligibility evaluations required by CEQA for structures identified as contributing to the historic district (CEQA Guidelines § 15064.5 (a) (1) and criteria for listing under Pub. Res. Code §5024.1, Title 14 CCR, Section 4850 et seq.). Because the proposed subdivision could be the last discretionary action prior to any alteration or demolition of contributing structures, national and California historic register eligibility evaluations must be done as part of the PEIR. Eligibility evaluations now would: implement required mitigation in a comprehensive fashion and provide decision-makers and the public of information required to make an informed decision concerning the project (CEQA Guidelines §15002(A) and § 15151).

Response: During preparation of the Draft PEIR, PALCO and the County of Humboldt recognized that the town of Scotia, within its defined boundaries, was potentially “eligible” for listing as a historically significant resource (Sec. 15064.5). Properties need not be previously documented as historic for purposes of CEQA. However, a preliminary historic resources assessment report by TBA West, Inc. was required and completed (Takano, October 21, 2008).

Securing formal historic district designation is neither required by law nor necessary for this project, and designation for Scotia was not pursued by TOS. The Draft PEIR did recognize that, after tenants were secured as homeowners, the residents themselves could decide on district designation and work with the County of Humboldt’s local planning department. TOS has reviewed this issue and does not intend to apply for district status (Takano, October 21, 2008). Instead, the project includes a design process and guidelines that protect historic resources.

The D combining zone will establish a design review procedure to ensure that applications to alter or demolish contributing structures will comply with the Scotia Design Guidelines (TBA, October 24, 2007). See detailed discussion on pages 2-36 and 2-37 of the Draft PEIR.

Comment 1.25 *Page 2-34 and -35: The PEIR characterizes County Department of Public Works comments on the project as “recommendations.” As the Lead Agency, these should be considered requirements rather than recommendations. The fact that PALCO does not propose to implement Public Works’ requirements for street and utility improvements does not release PALCO from: (1) implementing these improvements as part of its Tentative Subdivision Map; (2) implementing all other infrastructure improvements (streets, sidewalks, curbs, gutters, ADA requirements, etc.) required by the State Subdivision Map Act, State and County building codes, etc.; and (3) evaluating the associated impacts to the integrity of the historical district in the PEIR. Further more, these improvements must be included in the conditions of approval for Subdivision Map and CSD formation.*

Response: In the review of the tentative map application, the Humboldt County Department of Public Works recommended all pedestrian facilities be upgraded or replaced to meet current standards of the Americans with Disabilities Act (ADA), and all County roads meet current minimum standards for new construction and upgrades set forth in AASHTO’s *A Policy on Geometric Design of Highways and Streets*. Most of the roads in Scotia do not meet these standards.

Paradoxically, a historic resources report prepared as part of the Draft PEIR concluded that the entire Town of Scotia meets the requirements for historic status, with the period of significance being between 1896 and 1959. The composite of residential, industrial, commercial, and institutional buildings has been found to qualify as historically significant contributing resources to the Town of Scotia. Among the report’s findings was that “visible aspects of the streetscape are character-defining features--elements such as sidewalks, lighting, fire hydrants, sewer covers, stone retaining walls, picket fences, and trees that were constructed during the period of significance.

The Humboldt County General Plan includes policies requiring protection of culturally significant resources and to avoid loss or degradation of these resources (see Draft PEIR pages 2-21 and 2-32). CEQA also requires that historically significant resources be protected.

The Draft PEIR, in the context of the historic resources report, concluded that implementation of the Public Works Department’s recommendations would result in a significant adverse, direct and cumulative environmental impact to the historic resources. The Draft PEIR found nothing in California law or County ordinances that obligates the County to condition formation of the Scotia CSD upon such dramatic “modernization” or requires the CSD to bring Scotia’s streets up to 21st century subdivision standards, particularly where doing so would severely and adversely impact Scotia’s historic character. Rather than graft modern infrastructure standards onto Scotia, and so severely impact its historic character, the County has the authority to select reasonable alternatives that comply with the law and allow Scotia to protect its unique history. The project Historical Review Process and Guidelines accomplish this goal.

Comment 1.26 Page 2-35: The PEIR states the “...ready access is already being met...” in Scotia, but then Paragraph four argues that PALCO does not need to provide ready access citing the ADA’s undue financial and administrative burden exception. Please explain. If ready access is already being met, this must be demonstrated (e.g., how many street corners have sidewalks, how many with wheel chair access vs. how many without, and does this proportion meet the ready access requirements). If ready access is not being met, any ADA section discussing exemptions does not apply since PALCO and not some future potential CSD is applying for a Subdivision Map.

Response: The County Public Works Department recommended sidewalks be compliant with ADA. The Draft PEIR determined that if the ADA requires any changes in the streetscape in the near-to mid-term, such changes would be modest. ADA means that public services, like sidewalks, must be readily accessible to individuals with disabilities. “Ready access” is not defined by the ADA or by the Department of Justice’s regulations, and there are no specific accessibility standards that existing sidewalks are required to meet.

The Draft PEIR concluded that ready access is already being met. Existing curb ramps are in place. Some additional curb ramps may be required, but there is no ADA requirement that existing sidewalks must be modernized with 4-foot widths and curb ramps at all intersections, as the County Public Works Department recommends. It is also likely that the CSD would determine that compliance with ADA would result in an undue financial and administrative burden per 23 Code of Federal Regulations (CFR), Section 35.150(a) (3). This issue is discussed in greater detail on pages 2-34 and 2-35 of the Draft PEIR.

See also response to comment 1.25 above.

Comment 1.27 Page 2-35: Both the County Department of Public Works and the state Subdivision Map Act require sidewalks. Account for the required number of sidewalks, rather than existing sidewalks.

Response: See response to comments 1.25 and 1.26 above.

Comment 1.28 Page 2-36: It must be made clear in Mitigation Measure 2.5.1a that approval of plans to alter or demolish contributing historic structure, and to approve new construction within the historic area identified in Figure A, lies with the Humboldt County Planning commission or Planning Director and not with the Scotia Design Review Committee.

Response: See response to comments 1.25, and 1.26 above, and 1.29 below.

Comment 1.29 Page 2-38: Please revise Mitigation Measure 2.5.1f to “require” rather than “recommend” programs and incentives to maintain viability and stability of the historic life style of Scotia, outline the programs and incentives that it references, and require PALCO to fund these programs and incentives. Condition the project such that PALCO implement this until such time as the CSD is formed and able to take over the funding responsibility for these programs and incentives, to guarantee that the mitigation measure will be implemented.

Response: The Scotia Design Review Committee (SDRC) will make recommendations to the Humboldt County Planning Commission or Planning Director. The Planning Commission's decisions on design review are a discretionary action that is appealable and the final decision could be made by the Board of Supervisors upon administrative appeal.

Comment 1.30 *Pages 2-36 through -38: Please provide national or California Register of Historical Resources eligibility evaluations for the structures contributing to the historic district, to determine the historic significance of the resources (CEQA Guidelines §15064.5(a)(1) and (b)(2)(A)), and to provide a basis for the conclusion in the PEIR that the mitigation measures will reduce the historic resources impacts to less than significant levels.*

Response: See response to comment 1.24. The SDRC will be responsible for recommending other methods for encouraging and achieving preservation of historic resources including exploring means of incentives and financing.

Comment 1.31 *Page 2-39: Mitigation Measure 2.5.2 must specify that a qualified archaeologist acceptable to and contracted with Humboldt County, and funded by PALCO, be present during subsurface earthwork activities where archeological resources may be found.*

Response: Mitigation Measure 2.5.2 requires consultation with a qualified archaeologist in the event that any subsurface archaeological resources are discovered (see Draft PEIR page 2-39). See response to comment 1.24 above.

Comment 1.32 *Page 2-39: Support the conclusion that the project would have no impact on unique paleontological resources. Without this the PEIR must assume that such resources exist, and must identify appropriate mitigation to identify and mitigate any such occurrence.*

Response: The town of Scotia is built on a raised alluvial terrace, and is therefore underlain by deposits laid down by the Eel River. Fossils are not typically preserved in materials deposited in high-energy fluvial environments, and no documentation of such occurrences exists for the Scotia area. The alluvial materials at Scotia essentially bury the fossil-bearing formations in the region, the Tertiary to Quaternary age Wildcat Group, which is exposed in stream banks and cliff faces along the Eel River. Significant outcroppings of the Wildcat Group sediments (although not all are fossil-bearing) are present along the left bank of the Eel River (opposite Scotia) extending to the Scotia-Rio Dell bridge, and along the right bank opposite the town of Rio Dell (downstream of Scotia) forming the prominent "Scotia Bluffs."

The fossil assemblage of the Wildcat Group is described in Ogle (1953), and consists of marine invertebrates. Generally, marine invertebrate fossil assemblages cover large regional areas and consist of large numbers of relatively common species, thereby reducing the significance of any one fossil locale. Therefore, due to the lack of exposure in the town of Scotia and the regional distribution of the fossil assemblage in the lower Eel River valley, we conclude that there are no unique paleontological resources relative to this PEIR.

Section 2.6: Aesthetics

Comment 1.33 Pages 2-41 and -42: The PEIR contends that the project would not directly alter existing buildings, concludes no aesthetic impacts without any analysis, and is missing analysis of the consistency of the proposed changes with existing County aesthetics policies. The project will directly alter existing buildings (e.g., reuse of Mill A, upgrades to the existing WWTF, replacement of all water and sewer pipes in Scotia, development of curbs, gutters, sidewalks, streetlights, etc.), permit the development of second units in the residential areas, and permit the development of industrial uses in existing vacant and underutilized industrial areas (log storage areas, sedimentation pond, etc.) Analysis must be provided that: (1) evaluates the visual and aesthetic impacts of this development; and (2) evaluates the consistency of the proposed changes and Design Guidelines with existing County visual and aesthetic policies.

Response: The Humboldt County General Plan, Vol 1., Framework Plan does not contain any policies related to aesthetics. Section 3541 of the Framework plan describes policies related to Scenic Highways (see pages 2-40 – 2-41 of the Draft PEIR). State Highway 101 is not officially designated as a State Scenic Highway in the project area. Aesthetic impact evaluation criteria per CEQA address issues related to scenic vistas or viewsheds; damage to scenic resources, including historic buildings; create new sources of light or glare; or degrade the existing visual character of the site and its surroundings. Essentially, the CSD and subdivision would not change the existing visual character of the Town of Scotia. The D combining zone would control, safeguard, preserve, and enhance areas of historical, scenic, civic, or cultural values, including alteration or demolition of historically significant structures. The design guidelines and design review procedure would protect the integrity of the existing aesthetic character of the town.

Comment 1.34 Pages 2-41 and -42: No analysis is provided as to the visual impacts of the project on the Eel River which is a designated National Wild & Scenic River, or of the consistency of the project and proposed Design Guidelines with federal, state, and County wild and scenic river policies. Such analyses must be provided in the PEIR to adequately address the impact evaluation criteria.

Response: The period of significance for the historically significant resources of the Town of Scotia is between 1896 and 1959. The federal Wild & Scenic Rivers Act was originally adopted in 1968 (CFR 16 USC §§ 1271-1287). Both the federal and state legislation classified the section of the Eel River from Outlet Creek to the mouth at the Pacific Ocean as “recreational.” Recreational classifications may have some shoreline development and may have undergone some impoundment or diversion in the past. Essentially, the formation of a CSD and subdivision would not change the existing conditions and character of the Eel River, and therefore, would not jeopardize its recreational classification under the federal and state Wild and Scenic Rivers Acts.

Comment 1.35 Page 2-42: The PEIR concludes no significant light and glare impacts without any analysis. The proposed project would result in substantial new lighting in Scotia to comply with applicable Subdivision Map Act, County Department of Public Works, ADA, and other requirements for adequate street and building lighting. The proposed project would also result in the development of existing vacant and underutilized areas and the further reuse of Mill A which would result in additional lighting. This must be evaluated as must the consistency of the proposed Design Guidelines with existing County lighting policies and standards.

Response: No policies or standards on lighting were found in the County General Plan. There are no existing vacant and underused areas within the industrial zone that would result in additional lighting. The electrical supply and distribution will be transferred to PG&E. Very few original light poles remain.

PG&E will combine electrical, telecommunication, and cable lines and will decommission selected light poles and relocate portions of the transmission line underground. New power/light poles to be installed by PG&E may be taller or shorter to meet the required services. The majority of changes in street lighting will occur in the residential and commercial areas with few in the industrial area. To the extent that is feasible, new light poles will match colors, material, textures, and finishes of existing elements (for example, historic light poles). The formation of a CSD and subdivision is not expected to result in significant light and glare impacts.

Comment 1.36 *Section 2.7:* *The text states that the traffic analysis assumes no new uses, structures, or associated traffic. The project will result in new development (see comment on pages xii, xiii, 1-2,1-18,2-12,2-22,2-24,2-41,2-42, etc.), and could displace Scotia employees who live on-site requiring them to commute to Scotia for work (see comments on pages vii, x, 2-9,2-12,2-19,2-39, etc.). Both of these will generate additional traffic, air quality and noise impacts.*

Response: The project includes a proposal to rezone the residential portions of the Town of Scotia from Unclassified to residential zones as appropriate; the roadway system is adequate for the current development and proposed zoning. The roadway system is adequate for the current development and zoning. See also responses to comments 1.1, 1.5, and 1.11 above.

Comment 1.37 *Section 2.7:* *The section does not identify the streets covered by the traffic analysis, the time horizon of the analysis, or the assumptions that went into future traffic volume projections on area streets and highways. This must be added to the section, including a list of cumulative project included in the projections, Also, Humboldt County and the cities of Fortuna and Rio Dell are each in the process of updating their General Plans, and the traffic analysis must include these as cumulative projects (e.g., must project the traffic on area streets and highways in the future based on the growth that could occur under these plans) (CEQA Guidelines §15130(b)(A), “A list of past, present, and probable future projects producing related or cumulative impacts”).*

Response: According to the traffic analysis, the average daily traffic of any given Scotia street is very low. Level of Services (LOS) calculations were prepared for the Highway 101 off-ramp and on-ramp and the north-south connection (Bridge Street) between Rio Dell and Scotia (State Highway 283). General operating conditions were LOS A or free flow. Observations at am and pm peak hours for the above intersections, found the average delay of less than 10 seconds with LOS A. Traffic counts were performed for the northern on and off-ramps, the commercial center of Bridge and Main Streets, and the southern on- and off-ramps (southbound US 101 on-ramp). The current traffic count data and the traffic count data from Caltrans and the Humboldt County Department of Public Works attest to the fact that there has been no significant change in traffic flow from 1973 to present (2005). The traffic analysis concluded that if the population were to be employed outside the town limits of Scotia, an observable increase in traffic may occur during a.m. and p.m. peak hours at the selected intersections. However, this slight increase would not significantly affect

traffic flows in the area. Updates of the City of Fortuna and County General Plans will not affect traffic to and from Scotia. Scotia is considered built out and will not result in a significant increase in population or traffic.

Comment 1.38 *Section 2.7: The analysis does not provide traffic volumes nor does it discuss what roadways are covered under the Caltrans and Humboldt County Public Works Department the "...attest to the fact there has been no significant change in traffic flow from 1973 to present." It does not provide the traffic volumes that would result at the Junction 283 intersection to Highway 101 or the traffic volumes at any other roadways or intersections under the proposed project. This information cannot be hidden away in an appendix if it exists at all. Graphics showing existing and future with and without project traffic volumes and LOS on area streets, highways, and intersections must be added to Section 2.7 of the PEIR.*

Response: Peak hour volumes are presented in Tables 2, 3, 4, 5, and 6 on pages 4, 5, and 6 of the *Scotia Rezone and Subdivision Traffic Analysis* (SHN, July 2005b). Also on page 4 of the traffic analysis, traffic volumes from 2003 reported by the California Department of Transportation were compared to 1973 values to evaluate existing traffic volume.

Section 3.1: Soils and Geologic Resources

Comment 1.39 *Section 3.1: Section 3.1 does not disclose an un-named concealed fault that runs through Scotia in a southeast to northwest direction as indicated in the 1985 USFS 7.5-minute quadrangle covering Scotia. Should the fault be active, it would represent a potential fault rupture hazard to any development that may occur on or within close proximity of the fault, and would represent a significant impact not addressed in the PEIR. The PEIR must map the fault, evaluate whether or not the fault is active, and if it is, must designate a construction buffer around the fault and prohibit future development within the buffer.*

Response: It is unclear what map the author of this question is referring to, as there is no "1985 USGS 7.5-minute quadrangle." United States Geological Survey (USGS) quadrangles refer to basic topographic maps, which do not show geologic formations or structures (faults). The most likely map source the author may be referring to is the "Geology and Geomorphic Features Related to Landsliding, Scotia 7.5' quadrangle, Humboldt County California," dated 1982, by Thomas E. Spittler of the California Geological Survey (CGS). That map shows a fault just south of the town of Scotia. The fault trace is queried where on land (meaning that its location or existence is uncertain) and concealed where it follows the Eel River channel. The mapped fault appears to be a bedrock fault separating Cretaceous age Franciscan Coastal belt rocks from Yager Formation materials, and does not offset Quaternary age deposits, including a fluvial terrace near Stafford. There is nothing about the representation of the mapped fault trace on the CGS map that would suggest it was considered active by the author. The mapped fault is likely a representation of the Russ fault, which is discussed in the Draft PEIR. The Russ fault is not known to be active. In short, there are no active faults in the vicinity of Scotia, and none are recognized by the State per the guidelines of the Alquist-Priolo Earthquake Fault Zoning Act.

Comment 1.40 *Page 3-2: The text states that "The majority of land within Scotia is categorized as stable." According the Humboldt County General Plan Update, Natural Resources & Hazards Report, Figure 10-4, Scotia is within and is surrounded by areas of "Moderate Instability." The project could have the potential to both generate instability and expose persons to moderate landslide risk, and must include mitigation to reduce this significant impact to less than significant levels.*

Response: The fluvial terrace upon which the town of Scotia is located is shown on the Humboldt County General Plan Update, Natural Resources and Hazards Report as “relatively stable”; the hillslope east of Scotia is shown as an area of “moderate instability.” Recent Humboldt County Web-based Global Imaging System (GIS) hazard mapping, however, shows no historic landslides on the slope east of town. There is no geologic or geomorphic evidence to suggest the presence of, or potential for, large, deep-seated landslides on the slope east of Highway 101 that could impact the town of Scotia. No such landslides are shown on any published geologic maps, and none have been identified in geologic reports prepared by licensed geologists for timber harvest plans in the area. As discussed in the Draft PEIR, geologic bedding dips into the slope, eliminating the potential for large bedding plane landslides. As such, we conclude that the project does not have the potential to generate instability or expose persons to landslide risk; therefore, landsliding is associated with a less than significant risk that does not require mitigation.

Comment 1.41 *Page 3-2: The text states that landscape-related damage would require a massive slide that would overtop Highway 101. Portions of Scotia lie east of Highway 101, in the direct path of a landslide, and even west of the Highway there are slopes subject to failure. Furthermore, PALCO owns the slopes above and east of Scotia and could clear cut these slopes at any time, thus exacerbating the already significant landslide risk. This must be evaluated in the PEIR.*

Response: As discussed above, no historic landslides are shown on the slope east of Highway 101 in recently released Humboldt County GIS Hazard mapping. Further, the California Geological Survey’s mapping of geology and geomorphic features related to landsliding for the Scotia quadrangle (Spittler, 1982), which shows many landslides in the region, shows a complete absence of landslides on the slope east of Highway 101. Geomorphically, the slope is of moderate gradient and planar, exhibiting no evidence of even ancient landslides. Therefore, we disagree with the author of this question that the landslide risk is “significant” and conclude there is a low potential for landsliding on the slope.

As for the potential to clearcut the slope “at any time,” as the author of this questions suggests, is incorrect. Any proposal to cut trees on a slope adjacent to a major transportation corridor like Highway 101 would receive intense scrutiny due to the potential impacts to public safety. A large clearcut on the slope above the highway is highly unlikely. Furthermore, the current timber landowner, the Humboldt Redwood Company, has publicly stated that it will not conduct clearcutting on company lands. Any timber harvest whatsoever will require project-level CEQA compliance through the EIR functional equivalent timber harvest planning process.

Finally, contrary to the comment presented by the author, there are no slopes west of Highway 101 with a significant landslide potential. As described above, the Humboldt County General Plan Update, Natural Resources and Hazards Report mapping shows the terrace upon which Scotia is located as an area of “relative stability.” Slopes west of the Eel River will not be impacted in any way by the project.

Comment 1.42 *Page 3-4: The text states that the “Geologic hazards that have the potential to affect Scotia include: surface fault rupture, strong seismic shaking, landslides, and liquefaction and other secondary seismic effects.” The PEIR says repeatedly that because the proposed project would not include new population and development, it would not expose additional population or development to these hazards. This*

is incorrect-the project could result in new population and development (see comments on pages vii, x, xii, xiii, 1-2, 1-18, 2-9, 2-12, 2-19, 2-22, 2-24, 2-38, 2-41, 2-42, etc.) The PEIR must evaluate the risk to this additional population and developments posed by these geologic hazards, and identify required mitigation.

Response: From a geologic standpoint, Scotia is associated with relatively low-level geologic hazards (SHN, January 2006). Surface fault rupture and landsliding are non-issues at the site, and strong ground shaking is a regional hazard that is no greater here than at other nearby locales. Liquefaction potential and the potential for other secondary seismic effects are common in the area, and are typically evaluated and mitigated during routine, County-mandated soils reports. Therefore, we conclude that the risk associated with geologic hazards at the Scotia town site, whether related to existing or proposed development, is not significant, and does not require mitigation measures.

Comment 1.43 Page 3-4: Mitigation Measure 3.1.1 should apply to all new development in Scotia, not just to the three additional lots and two commercial lots referenced in the mitigation.

Response: Comment noted. Any alterations or additions to existing structures within the Town of Scotia would be subject to a building permit and review by the County Building Division. Plans and specifications for new construction would be subject to the 2007 California Building Code (or as further amended) which is based on the 2006 International Building Code. Other than the creation of 3 new residential lots and 2 new commercial lots, and the possibility of a few secondary dwelling units, no new development will occur in the Town of Scotia. See response 1.42.

Comment 1.44 Page 3-6: The text states that “The current water supply system is considered adequate to fulfill the demand on the system without necessary upgrading and the proposed CSD and subdivision would not cause or create a substantial increase in the existing water demand for the Town of Scotia.” Please provide source citation an analysis for this conclusion. The proposed project could result in new development and an increase in water demand (see comments on pages xii, xiii, 1-2, 1-18, 2-12, 2-22, 2-24, 2-41, 2-42, etc.)

Response: Historical records cited in Section 5.4 of the detailed engineering evaluation as “Attachment A of the Municipal Service Review (SHN, November 2007) indicate a potable water treatment capacity of 622,000 gpd under the current loading conditions (2005 – 2006, a period with moderate industrial activity). The maximum daily usage in that period was 601,000 gpd, and the average was 484,400 gpd. The limiting portions of the treatment system as currently operated can produce 1,244,000 gpd. The treatment could be increased, without significant changes in operation, to produce 1,450,000 gpd. The current water right allows a diversion of up to 4,588,500 gpd. There is substantial reserve capacity for any reasonably foreseeable industrial development with the current water treatment system.

See also response to comments 1.1 and 1.5 above. Scotia’s growth is limited by available land and lot sizes; for all practical purposes, the town has reached its maximum capacity. The proposed project will not result in a substantial increase in water demand.

Comment 1.45. *Pages 3-11 and 3-12: Impacts 3.2.1, 3.2.3, 3.2.4, and 3.2.5 conclude that the project will not create runoff that exceeds the capacity of the drainage system, will not create substantial additional sources of polluted runoff, will not substantially degrade water quality, and will not expose persons to flood hazards, all based on the contention that the project will not change existing land uses. The project could result in substantial development (see comments on pages xii, xiii, 1-2, 1-18, 2-12, 2-22, 2-24, 2-41, 2-42, etc.). Hence, the project will create substantial additional runoff and substantial additional sources of polluted runoff, and may substantially degrade water quality.*

Response: See response to comments 1.1 and 1.5 above. Scotia's growth is limited by available land and lot sizes; for all practical purposes, the town has reached its maximum capacity. The proposed project will not result in a substantial additional runoff or additional sources of runoff.

Comment 1.46. *Page 3-11: Wastewater discharges are not currently in compliance with the existing NPDES permit, WDR, Cease and Desist Order, and other RWQCB because: (1) the existing WWTF and percolation pond are located within the 100-year floodplain of the Eel River; and (2) the WWTF continues to discharge treated wastewater to the Eel River despite RWQCB orders that it cease this discharge and instead discharge to land. PALCO is continuing to violate water quality standards and WDRs. Impact 3.2.1 is significant.*

Response: See response to Comment 1.16 above. Moreover, the project is not creating impacts because it is not proposing to create new facilities.

Existing NPDES permit issues for the wastewater and residential and industrial stormwater discharges are being addressed under the appropriate regulatory review processes and are not part of this CEQA review process. The proposed project would not violate any water quality standards or waste discharge requirements.

Comment 1.47 *Page 3-11: Large areas of Scotia are not subject to NPDES stormwater permits and do not implement BMPs to reduce the amount of contaminants being discharged to the Eel River. A BMP program must be described in the PEIR for these areas and implemented to reduce existing contaminated discharges and prevent an increase in such discharges under the project. Implementation of the program must be included as a condition of approval of the Tentative Subdivision Map and CSD formation. Without this, urban runoff from Scotia will continue to pollute the river and will increase, and Scotia will continue to be out of compliance with County General Plan Update Policies (for example, Policy 1.3 which requires the use of BMPs for stormwater to minimize pollution from area sources.)*

Response: The conditions described are existing conditions, not new ones under the proposed project. The proposed CSD and subdivision would have to comply with County regulations that are not currently applicable under TOS ownership. Design or selection of specific BMPs is not appropriate in a Program-level EIR, but belongs in the lower tier documents that will be prepared for specific projects.

Comment 1.48 *Page 3.2.2 (sic): If PALCO is proposing to dispose of treated wastewater under the project by land disposing of treated wastewater as required by the RWQCB, the groundwater quality impacts of this disposal must be evaluated. If PALCO is not including the planned land disposal of treated wastewater as part of the project, it is piecemealing the project because upgrades to the Scotia WWTF, stopping river*

discharges, and land disposing of the treated wastewater are all required by the RWQCB, required to serve the proposed subdivision, and fundamental to the CSD formation. See our comments on pages 2-16 and -22 for further discussion.

Response: As stated on p. 3-7 of the PEIR, if the CSD assumes responsibility for ownership and maintenance of the WWTF, it must pursue a new waste discharge permit. Existing NPDES permit issues for the wastewater and residential and industrial stormwater discharges are being addressed under the appropriate regulatory review processes and are not part of this CEQA review process. The proposed project would not violate any water quality standards or waste discharge requirements.

Section 3.3 Air Resources

Comment 1.49 Pages 3-15 through -17: Impacts 3.3.1 and 3.3.2 conclude that the project will not degrade air quality or contribute to violation of air quality standards because the project would not involve land use changes. The project could result in substantial new development (see comments above) and could result in the need for displaced workers to commute to Scotia (see comments on pages vii, x, 2-9, 2-12, 2-19, 2-38, etc.). Hence, the project could create substantial additional air emissions which may interfere with air quality objectives. This must be quantified, analyzed and mitigated in the PEIR. Tables must be provided showing the quantity of each criteria air pollutant before and after project implementation.

Response: See Responses to comments 1.1, 1.5, and 1.11.

Comment 1.50 Page 3-17: Impacts 3.3.2 and 3.3.3 conclude less than significant construction emissions after mitigation, but provide no analysis upon which to base this conclusion. AQMDS identify percentage air emission reductions associated with each type of emission reduction measure typically recommended by AQMDs. The PEIR must quantify project construction emissions before and after implementation of the measures identified under Mitigation Measure 3.3.1, and must show quantitatively how construction emission will not exceed applicable standards.

Response: Scotia is located within the jurisdiction of the North Coast Unified Air Quality Management District (see pages 3-14 and 3-15 in the Draft PEIR). Currently, Humboldt County is a non-attainment area for state standards for particulate matter of less than 10 microns in diameter (PM-10). The proposed CSD and subdivision would not involve any proposed land use changes from existing conditions. The subdivision may result in development of three vacant residential lots, two vacant commercial parcels, and utility trenching to relocate public utility lines to public rights-of-way. Construction activities related to site development and utility trenching could be a source of particulate matter less than 10 microns in diameter (PM-10). Standard mitigation measures were included for construction-related emissions will reduce the amount of PM-10 during construction to less than significant (see page 3-16 of the Draft PEIR). The formation of a CSD and subdivision of land into saleable parcels will not result, in itself, in significant impacts to air quality.

Comment 1.51 Page 3-17: The Scotia WWTF is located directly adjacent to one Scotia residential neighborhood and within close proximity of the other Scotia residential neighborhoods. Modifications will be made to the WWTF, WWTF operations, and biosolids disposal under the proposed project. The odor impacts of these changes must be evaluated in the PEIR.

Response: The WWTF is operated in a manner to keep nuisance odor conditions at a minimum. No history of nuisance odor complaints exists at the WWTF. The proposed upgrades to the wastewater and biosolids treatment and disposal systems are either replacement of existing components with similar ones (for example, clarifier upgrade); would produce no objectionable odors (for example, pumps upgrades, improved drives, tank coating); or are technologies that are generally considered weaker sources of odors than the existing technologies (for example, solids contact basin) (Crites and Tchobanoglous, 1998). The proximity of the WWTF to nearby residential areas is not expected to result in nuisance level odor conditions and is considered an existing condition.

Section 3.4: Hazards and Hazardous Materials

Comment 1.52 *Page 3-18: The text references a Phase I ESA completed for PALCO, and Section 3.4 of the PEIR uses it as a basis for information, analysis, and determinations of significance. However, the Phase I ESA is neither included as an appendix to the PEIR nor incorporated by reference.*

Response: Comment noted. Phase 1 (historical and current site use research and regulatory records searches) Environmental Site Assessments (ESAs) for the industrial and residential areas have been completed by various consulting firms. Phase 2 (surface and subsurface investigations) ESAs, for selected areas of both the residential and industrial areas have been conducted to comply with regulatory (RWQCB, Humboldt County Division of Environmental Health [HCDEH], and U.S. Occupational Safety Health Administration [OSHA]) release requirements, and to allow for regulatory agency permitted, continued operation and development of various areas of both the residential and industrial areas. Accordingly, specific areas have received or are undergoing remedial cleanup actions with oversight by regulatory agencies. As new areas are identified for construction or physical alteration, reference is made to existing studies and appropriate regulatory compliance action is being implemented. The Phase 1 and 2 ESAs are incorporated by reference in this Final PEIR and included in the public record. Copies of these documents are available for public review at the office of the Department of Community Development Services.

Comment 1.53 *Page 3-18: The text says that a complete Phase I ESA was completed for the industrial facilities in Scotia but not for the residential areas. A Phase I ESA appears necessary for the residential areas of Scotia because half of the hazardous material impact evaluation criteria listed on page 3-20 requires a determination of whether the project would expose persons to existing hazardous materials; and the Subdivision Map Act requires public disclosure of hazardous materials conditions whenever parcels are subdivided for sale. Please provide a map identifying the location of all hazardous material waste sites in Scotia, and site descriptions.*

Response: See response to comment 1.52 above.

Comment 1.54 *Page 3-18: With respect to the referenced random lead-based paint and asbestos surveys, the structures that were found to contain lead or asbestos must be identified in the PEIR. Also, what is meant by the problem "...has been dealt with appropriately"? Has lead and/or asbestos been removed? What structures does this comment apply to? Also, the survey are not included as an appendix to the PEIR nor incorporated by reference.*

Response: See response to comment 1.52 above.

Comment 1.55 Page 3-19: Figure 3-5 of the Humboldt County General Plan designates the forested hillsides of Scotia and the hillside immediately east of Scotia as “Wildland Areas That May Contain Substantial Fire Risk. Please document and analyze this in the PEIR.

Response: Comment noted. See discussion in Draft PEIR, Impact 3.4.8 on page 3-23. The California Department of Forestry and Fire Protection (CDF) commented on the Draft PEIR and did not raise this issue. Any perceived or real wildland fire threat is an existing condition. The project does not change the existing condition or increase the risk of wildland fires.

Comment 1.56 Page 3-21: Impact 3.4.3, states that the storage of chlorine gas in the WWTF and WTF is not within 1.4 mile of Stanwood A. Murphy Elementary. The WWTF is located approximately 650 feet (0.12 miles) from the school. Therefore, the proposed project, which would include modifications to the WWTF, could emit hazardous emissions within 1.4 mile of a school.

Response: This section and related sections have been rephrased for clarity (see “Chapter 4: Changes to Environmental Setting,” and “Chapter 6: Changes to Impact Assessment, Mitigation Measures, and Monitoring and Reporting Program”).

Comment 1.57 Page 3-21: Please support the conclusion of a less than significant hazardous materials impact. The proposed project will include: (1) upgrades/improvements to the WWTF; (2) earthmoving activities at existing vacant and underutilized sites; and (3) earthwork associated with the replacement of existing water and sewer lines. Each of these could uncover/unearth existing hazardous materials, release these hazardous materials into the environment, and expose persons and the environment to hazardous materials. Furthermore, no maps or other information is provided showing the location or status of existing hazardous material waste sites or buildings containing lead-based paint, asbestos, and tats it is impossible to assess the degree of the threat.

Response: Phase I and Phase II Environmental Site Assessments were prepared for industrial areas according to American Society for Testing and Materials (ASTM) standards (Bob Vogt, HRC, LLC, and October 8, 2008). TOS has no knowledge of hazardous materials occurring at existing locations of water and sewer lines or within rights-of-way of public roads. See response to comment 1.52 above.

Comment 1.58 Page 3-23: The portion of Scotia east of Hwy 101 includes and is directly adjacent to forested hillsides identified as a wildland fire threat, and the fact that this area is designated as industrial is irrelevant. Existing and future uses and persons at the site may be exposed to a significant risk involving wildland fires, a significant impact. Furthermore, there are countless examples of fire crossing highways, so the fact that most of Scotia is west of Hwy 101 does not preclude its exposure to wildland fires. Please document, evaluate, and mitigate if necessary.

Response: See response to comment 1.55 above. Any perceived or real wildland fire threat is an existing condition. The project does not change the existing condition or increase the risk of wildland fires.

Comment 1.59 Section 3.6: The section must include maps showing existing and future with and without project noise contours, the table in the appendix showing noise levels at each monitoring location must be moved into the section, and a table showing the noise generated by typical construction equipment that may be involved in the roadway and utility line improvements must be provided.

Response: Noise is discussed in great detail in the Draft PEIR on pages 3-26 – 3-29. Existing noise from milling operations and Highway 101 traffic, periodically in excess of County noise standards, is addressed by the Noise Overlay Zone (see Draft PEIR Figure 3-3). Construction noise exceeding County standards will be short-term and temporary and cease upon completion of construction. Mitigation measures for construction noise (Draft PEIR pages 3-29 – 3-30) will reduce the periodic increase in noise to less than significant.

Comment 1.60 Pages 3-28 and -9: The PEIR concludes that: (1) the proposed CSD and subdivision will not generate noise that exceeds local standards; and (2) will not include new sensitive receptors. It is the city's position that the project could result in substantial new development and could result in the need for displaced workers to commute to Scotia for work (see comments above). The project could generate substantial additional stationary and mobile source noise.

Response: See response to comment 1.1. New development could include construction on 3 newly created residential lots and 2 newly created commercial lots. A limited number of secondary dwelling units may be possible on existing conforming residential parcels and new residential parcels. The residential lots are considered “sensitive receptors.” These new lots would be subject to the noise combining zone restrictions. If and when development is proposed, the developer will have to mitigate so that noise is not in excess of County standards. Traffic noise will be focused along Main Street away from residences. Furthermore, the proposed traffic volumes generated by the development of 3 residential and 2 commercial lots (currently developed Mill A) will not be significant. No substantial increase in commuting traffic is expected as a result of the project.

There are no new stationary or mobile noise sources proposed as part of the project.

Comment 1.61 Also, the construction noise impacts of the project must be quantified, evaluated against County noise standards, and mitigated in the PEIR. This includes the construction noise to be generated by the proposed trenching and other construction activities required to replace the exiting water, sewer, and storm pipes, repair the streets, and construct the sidewalks.

Response: See response to comment 1.60.

Comment 1.62 Page 3-28: The proposed project will include further reuse of Mill A and modifications to Scotia WWTF. These are located directly adjacent to existing residential neighborhoods, and construction and operation-related noise impacts on the adjacent residence must be evaluated.

Response: No new development is planned or described in the Draft PEIR, Chapter 1, 1.9.4 Proposed Project pages 1-10 through 1-23.

Section 3.7: Biological Resources

Comment 1.63 Section 3.7: Under Impacts 3.7.1 through 3.7.6, the same logic is used for concluding no impact (e.g., the project does not proposed physical changes and thus would not result in biological impacts). The project could result in substantial new development (see comments above), and the project will adjust the Urban Limit Line "...to allow for reduced setbacks from streams...." Please discuss potential biological resources impacts due to Urban Limit Line adjustment.

Response: See response to comment 1.4 above. The Scotia project proposes no new development within either SMA setback width, (before and after extension of urban limit line) and no impacts to biological resources will result.

Comment 1.64 Page 3.37: Impact 3.7.3 concludes that the project will not impact wetlands. Have impacts to the blue line streams with associated riparian areas bisecting Scotia, and the wetland at the existing mill pond that could be impacted by WWTF modifications been evaluated?

Response: The project does not propose WWTF modifications that would change the existing use of the mill pond or streams that cross Scotia. As a result, it is not necessary to analyze riparian impacts to the mill pond or streams within Scotia.

Comment 1.65 Page 3.37: Impact 3.7.5 concludes that the proposed project is consistent with the County's SMA policy without any analysis. Scotia is bisected by several blue line streams, each of which has associated with it an SMA buffer within which no development may occur. The Eel River also has an SMA buffer. Please provide a consistency analysis with the requirements associated with the SMAs, and address instances where development would occur in the SMAs.

Response: See response to comment 1.4 and 1.63 above.

Comment 1.66 Pages 3-37 and -8: While PALCO may be working to amend its HCP with respect to Scotia, the HCP is applicable to currently Scotia and the proposed project must comply with all the requirement so the HCP. Given this, and given that the proposed project will result in substantial development in Scotia (see comment on page 3-37 above), a consistency analysis is required under that demonstrates that the project is consistent with the HCP as contended.

Response: See response 1.1 and 1.10.

Chapter 4: Alternatives

Comment 1.67 Page viii and Chapter 4: With respect to Alternative A, the PEIR states that city requirements for full frontage improvements that meet current ADA requirements would result in significant impacts to historical resources, adversely affecting eligibility for historic district status, and that these impacts would not occur under the project. As indicated on pages 1-15 and -16, the County is requiring compliance with state subdivision requirements, including the provision of street improvements, curb and gutter, compliance with ADA requirements, etc. The impacts attributed to Alternative A will also occur under the proposed project. This cannot be used as justification for selecting the project over Alternative A.

Also, there is no analysis in the PEIR to support the contention that the development of frontage improvements would adversely affect eligibility for historic district status under Alternative A but not under the proposed project.

Response: See responses to comments 1.25 and 1.26. The County, as lead agency under CEQA, has reconciled the conflict between County subdivision standards as recommended (not required) by County Public Works, and County policies regarding preservation of historic resources. CEQA explicitly requires impact assessment of any project feature that could cause a “substantial adverse change in the significance of historic resources” (CEQA, Section 15064.5).

During discussions related to the possible annexation of Scotia to the City of Rio Dell, the conflict between the City’s subdivision standards and historic resources was a major issue. The Draft PEIR concluded that, based on the City’s requirements for compliance with new development standards and the City’s interpretation of ADA requirements, annexation (including strict application of subdivision standards and ADA) would result in “substantial adverse change in the significance of historic resources.”

An historic resources report prepared as part of the Draft PEIR concluded unequivocally that the entire Town of Scotia meets the eligibility requirements for historic status with the period of significance being between 1896 and 1959. Among the report’s findings was that “visible aspects of the streetscape are character-defining features. Beginning in 1896, Scotia was laid out and developed prior to the advent of the automobile. Scotia has been modernized only to the extent necessary to allow automobiles and trucks to traverse local streets. Full frontage improvements would adversely affect the streetscape and substantially change the overall character of the town as well as its eligibility as an historic district (see responses to comment 1.25).

Comment 1.68 Pages viii and x. and Chapter 4: The PEIR does not indicate that the City of Rio Dell is currently in the process of updating its 2004 General Plan, and that part of the proposed General Plan Update is the inclusion of Scotia in the city’s sphere and the addition of new General Plan land use designations to account for the land uses in Scotia. Failure to consider the Rio Dell General Plan Update as a project alternative is inconsistent with CEQA which requires analysis of “reasonable alternatives” that could achieve most of the basic objectives of the project (CEQA Guidelines §15126.6(a)). Please consider the General Plan Update a cumulative project in the cumulative analysis producing related or cumulative impacts (CEQA guidelines § 15130(b)(1)(A)).

Response: Rio Dell is currently in the process of updating the General Plan to include Scotia within its Sphere of Influence; however, it has not been adopted by the Rio Dell City Council. Adoption is not expected until 2009 (George Williamson, October 22 2008).

The Draft PEIR included three “reasonable alternatives” to the proposed project: 1) Annexation to the City of Rio Dell, 2) Home Owners Association and Private Utilities, and 3) No Project.

Comment 1.69 Page xiii and Chapter 4: The PEIR indicates that upgrades would be required to the Scotia WWTF, and/or construction of a new WWTF would need to be constructed under Alternative A, but that these would not be required under the proposed project. The need for Scotia WWTF upgrades is a function of the existing Cease and Desist Order (#R1-2006-0073), existing NPDES permit (CA0006017), WDR order

(#r1-2006-0020), and other applicable RWQCB orders, and would be required regardless of whether the proposed project of Alternative A were implemented (see pages 1-17 and -18 of the PEIR). Also, the City of Rio Dell does not have wastewater treatment standards different from the RWQCB, and additional improvements would not be required to the Scotia WWTF due to annexation by the city. The construction of a centralized WWTF would not be required as a result of Scotia being annexed to the city (e.g., is being considered as an alternative to serve Rio Dell in response to its now RWQCB Cease and Desist order, not Scotia, and may be developed regardless of whether Scotia is annexed to the city or not). The WWTF issue does not appear to justify selecting the proposed project over Alternative A.

Response: The RWQCB does not specify what repairs or upgrades are necessary but rather, what is necessary to be in compliance with the NPDES permit and the basin plan. During annexation discussions, the additional improvements required by the City of Rio Dell would be more than necessary to meet compliance with the RWQCB (Bob Vogt, October 8, 2008).

Comment 1.70 Chapter 4: Please provide an alternatives comparison matrix that identifies whether impacts would be greater than, less than, or equal to the proposed project.

Response: An alternatives comparison matrix is presented in Table B of the “Executive Summary” (pages xii – xiv) of the Draft PEIR.

Comment 1-71 Page 4.2: Under the No Project Alternative, the text states that historically significant neighborhoods and buildings would not be protected by the “d” combining zone, and that no legal means of preserving the integrity and value of historically significant residential neighborhoods and buildings would be available. PALCO’s claim, throughout the PEIR, that no development would occur under the project, would also apply to the No Project Alternative.

Response: The “No Project” alternative means that nothing changes from the existing conditions “without the project.”

Comment 1.72 Pages 4-3, 4-4 and 4-10: Under Alternative A, the fact that the Rio Dell WWTF is currently operating under a Cease and Desist Order is irrelevant because: (1) if Scotia were annexed to the city, Scotia would continue to be served by the Scotia WWTF; and (2) the Rio Dell WWTF is no different that the Scotia WWTF-both are operating under Cease and Desist Orders (the only difference being that Rio Dell has prepared and circulated a DEIR for proposed improvements to its WWTF required to bring it out from under the Order, while PALCO has not done the same for its own WWTF). A levee would need to be built around the Scotia WWTF under Alternative A and under the proposed project because it is within the 100-year floodplain.

Response: Comment noted. The location of the WWTF is an existing condition, not a result of the proposed project.

Comment 1.73 The Rio Dell WWTF Cease and Desist Order only applies to the Rio Dell WWTF, so even if Scotia were annexed to the City, the Cease and Desist Order would not apply to the Scotia WWTF; and the Rio Dell Cease and Desist Order has nothing to do with building a levee around a WWTF (a levee acceptable to RWQCB already exists around the Rio Dell WWTF).

Response: Comment noted.

Comment 1.74 Page 4-4: It was the City's intent during the annexation negotiations that PALCO pay for the improvements. This issue should not be used as justification to reject Alternative A in favor of the proposed project.

Response: See response to comment 1.70 above. While not an environmental issue subject to review under CEQA, substantial cost differences certainly can be viewed by a project proponent as a justification for not pursuing an alternative. Environmental impacts associated with Alternative A are discussed in the Draft PEIR, Section 4.3.2.

Comment 1.75 Page 4-4: With respect to Alternative A, the text is incorrect in stating that by requiring the upgrading of all existing infrastructure in Scotia while existing Rio Dell infrastructure is not upgraded would result in Scotia subsidizing repair to Rio Dell infrastructure. The city is implementing ongoing upgrades to its own infrastructure system (for example, the Wildwood Avenue upgrades in 2007, the comprehensive upgrade to the city's water treatment and distribution system in 2006, and the pending WWTF upgrades).

Response: Comment noted.

Comment 1.76 Page 4-5: No analysis is provided to support the contention that the existing Scotia residents would be displaced under Alternative A but would not be displaced under the proposed project. The PEIR must either provide an economic analysis showing that this is the case, or delete this unsubstantiated claim. Also, as discussed in the comments on pages 4-3, 4-4, and 4-10, WWTF upgrades would be no more expensive under Alternative A than under the proposed project.

Response: The Draft PEIR summarizes the costs associated with upgrading existing infrastructure to City of Rio Dell's standards (see page 4-4). More specifically, the City of Rio Dell maintained the position that all infrastructure (water, wastewater, stormwater) in Scotia must be replaced to meet City of Rio Dell standards for "new development." PALCO (now TOS), on the other hand, is only willing to apply standards for new development for new construction of those sections of the infrastructure that were documented in 2006 to be physically and hydraulically deficient, and/or need to be relocated within new public right-of-way as well as infrastructure to newly created residential and commercial lots. The cost differences are considerable between what the City of Rio Dell and PALCO considered being necessary for annexation.

Comment 1.77 Page 4-5 and 4-6: The contention that frontage improvements required under Alternative A would result in significant cultural resources impacts, while frontage improvements required under the proposed project would not, should be supported by analysis.

Response: See responses to comments 1.25 and 1.67.

Comment 1.78 Page 4-6: The contention that frontage improvements required under Alternative A would result in significant aesthetic impacts that would not occur under the proposed project (e.g., both projects would involve substantial frontage improvements) should be supported by analysis.

Response: See responses to comments 1.25 and 1.67.

Comment 1.79 Pages 4-6: *As discussed in our comments on pages 4-3 and 4-4, upgrades to the Scotia WWTP would be the same under Alternative A and the proposed. There would be no difference in the amount of ground disturbance, trenching, excavation, filling, etc. Impact to archaeological resources, noise, air quality, erosion sedimentation, water quality, etc., would be the same between Alternative A and the proposed project. There would be no crossing of the Eel River with untreated wastewater. All this was added to this alternative to make it appear more impacting than the proposed project.*

Response: See response to comment 1.69 and 1.77 above. Draft PEIR Section 4.3.1 outlined two wastewater treatment options for the Scotia WWTF under Alternative A. Option 1 involved the construction of a levee around the exiting Scotia WWTF to isolate the facility from the 100-year floodplain. This improvement would occur under Alternative A as well.

Option 2 would involve demolition of the existing WWTFs in both Rio Dell and Scotia and construction of a new WWTF in Scotia that would treat combined wastewater flows from Scotia and Rio Dell. Being located in Scotia, untreated effluent from Rio Dell would have to cross the Eel River in order to be treated by a new WWTF in Scotia.

Comment 1.80 Page 4-9: *The text states that the formation of a CSD and implementation of the subdivisions would not result in any changes, direct or indirect, to the community or natural environment. The project could result in new development, and the PEIR identifies instances where the project will result in potentially significant environmental impacts and proposed mitigation (examples: Impact 2.5.1-substantial adverse change in the significance of historical resources, Impact 3.1.1- impacts due to a seismic event, Impact 3.3.1- Interfere with Air Quality Objectives).*

Response: The comment is correct. The mitigation measures are intended to reduce potentially significant impacts to less than significant as is the case for Impact 2.5.1 (historic resources), 3.1.1 (seismic event), and 3.3.1 (air quality). As a result of proposed mitigation measures, all potentially significant impacts will be reduced to less than significant.

Chapter 5: Other CEQA Considerations

Comment 1.81 Page 4-9: *With respect to the paragraph describing the contended benefits of the proposed project, all these benefits and more would occur under Alternative A as well as the Rio Dell General Plan Update alternative. Please include these benefits under Alternative A.*

Response: No paragraph describing the contended benefits of the proposed project was found on page 4-9.

Comment 1.82 Chapter 5: *The PEIR concludes less than significant growth inducing and cumulative impacts. However, the residential neighborhoods would be subdivided and the existing residences converted from rental units to market rate units (and units subject to CSD assessments). This may displace existing PALCO residents who could create a significant demand for housing elsewhere. This could induce development of housing elsewhere and increase traffic by PALCO employees currently living on-site but having to travel greater distances to work if relocated. This could be growth inducing. If PALCO contends that existing Scotia residents will be able to afford the housing under the proposed project, this should be supported by an economic analysis.*

Response: See responses to comments 1.1, 1.5, 1.11 and 1.37.

Comment 1.83 *Page xi and Chapter 5: Under “Long-term Benefits vs. Short-term Gains,” it is stated that “The project will likely result in a change in social fabric over time and this change will be significant and unavoidable.” However, under “effects Found Not To Be Significant,” it is stated that “All potentially significant impacts have been mitigated to less than significant levels.” In previous pages of the Executive Summary, it is also stated repeatedly that the above impact “...is not a change cognizable by CEQA.” Please address this inconsistency.*

Response: Potentially significant impacts to historic resources will be reduced to less than significant by the mitigation measures proposed in the Draft PEIR. Both the impacts and mitigation measures pertain to “physical changes” in the environment as posited by CEQA. Within the Draft PEIR page 2-38, the “change in social fabric over time” statement, refers to indirect impacts, in this case, the possibility that the common focus associated with a company town and timber heritage could change over time. This “change in social fabric” is not a physical change and is not subject to CEQA.

Comment 1.84 *Page xi and Chapter 5: Under “Long-term Benefits vs. Short-Term Gains,” the PEIR states that formation of a CSD would be a “long-term benefit” to the residents of Scotia. However, wouldn’t the creation of the CSD transfer from PALCO to the County or Scotia residents the costs for operation and upgrading the Scotia wastewater treatment plant (upgrading required in response to RWQCB orders to PALCO to upgrade treatment and land dispose rather than discharging to the river), upgrading severely outdated and inadequate utility and roadway infrastructure, and providing service to Scotia? The CSD represents a short-term gain for PALCO (E.g., divest PALCO of the economic burden of owning Scotia) but a long-term cost to Scotia residents (and to the County if the subdivision map is approved but the CSD is not). Please add measures for WWTF, utility, roadway, and state required Subdivision Map Act improvements as a condition of approval of the subdivision map and CSD formation.*

Response: The subdivision map and community services district are co-elements of the project. The subdivision map application is under the jurisdiction of the County while the CSD formation application is under the jurisdiction of LAFCo (County of Humboldt, July 2003). Both of these agencies are partners in the project approval process. It is unlikely that one element would be approved without the other. Issues of costs are not subject to CEQA review, although they will be examined as part of the LAFCo review.

Comment 1.85 *Pages 5-1 and 5-2: With respect to growth inducing impacts, the proposed project would be growth inducing because it could create a demand for housing elsewhere to accommodate Scotia residents potentially displaced by the project, and allow for additional commercial and industrial development in Scotia. Please evaluate the environmental impacts associated with these aspects of the project along with the impacts associated with the growth that could occur under the General Plan updates currently being prepared by Humboldt County and the cities of Fortuna and Rio Dell. This should include analysis of cumulative traffic generated by the project, along with these cumulative projects, on Hwy 101. The cumulative loss of wildlife habitat and listed species, archaeological resources, and agricultural resource must be identified.*

Response: See responses to comments 1.1, 1.5, 1.11 and 1.37. The General Plan updates by Humboldt County, City of Fortuna, and City of Rio Dell have not been completed, published, or adopted. No significant increase in traffic is expected as a result of the CSD and subdivision; nor

are there cumulative traffic impacts. No cumulative impacts (significant physical changes) to wildlife habitat, listed species, archaeological resources, or agricultural resources are expected to result from the CSD and subdivision.

Comment 1.86 *Page 5-2: The text indicates that Mill A is currently occupied by adaptive reuses, and that adaptive reuse may be incorporated into existing industrial facilities in Scotia in the future. The replacement of industrial uses in Scotia with commercial uses could create more employees, a customer population that does not currently travel to Scotia, and associate traffic, and could also create construction-related impacts due to retrofitting and alterations.*

Response: Comment noted.

2) Letter from the California Department of Forestry and Fire Protection (February 28, 2008)

Comment 2.1: *It appears there may be a conversion permit needed for the small area east of US 101 from TPZ to Public Recreation.*

Response: Timber Production Zone (TPZ) is a zoning classification applied to private timberland and State forests by local government under the Forest Taxation Reform Act of 1976. In addition to the definition of “timberland” applied in the Forest Practice Act, land with a TPZ is also subject to the definition of timberland found in Section 51104 (f) of the California Government Code (GC): “privately owned land or land acquired for state forest purposes, which is devoted to and used for growing and harvesting timber, or for growing and harvesting timber and compatible uses, and which is capable of growing an average annual volume of wood fiber of at least 15 cubic feet per acre.”

Land zoned TPZ is restricted for use in timber growing or compatible uses, such as outdoor recreation or grazing. This restriction on use lasts ten years and is renewed each year; in return, landowners receive reduced property tax assessments on the land.

“Conversion” from timber growing to other land uses may occur either on land that is zoned for timber production or land that is still timberland but which is not zoned for timber production. Within TPZ lands, timberland conversion means the immediate rezoning of TPZ, whether timber operations are involved or not.

According to 14 California Code of Regulations (CCR) § 1104.3, a timberland conversion exemption is applicable to the following situations of converting timberland:

1. Non-timber use only, of less than three acres in one contiguous ownership, whether or not it is a portion of a larger land parcel and shall not be part of a Timber Harvest Plan (THP);
2. Construction or maintenance of right-of-way by a public agency on its own or any other public property;

3. Construction or maintenance of gas, water, sewer, oil, electric, and communication right-of-way by private or public utility; and
4. Subdivision development outside of TPZ.

It appears that the project is exempt due to situation number 3 above.

Comment 2.2: *The project should not restrict access to timber.*

Response: The project will not restrict access to timber.

Comment 2.3: *The project proposes that the Scotia Volunteer Fire Department (SVFD), a wholly owned subsidiary of PALCO, would continue to function and be merged under the proposed Community Services District (CSD). Alternatively, a new fire district with a special benefit assessment would be formed. The SVFD is currently heavily dependant on trained PALCO employees serving as volunteers. The unique relationship of PALCO to the SVFD encourages participation. Upon the creation of a small CSD or fire district, the current relationship dissolves and brings into question the viability of the SVFD. The SVFD currently has a paid fire chief that coordinates regular and advanced training – primarily for sawmill emergencies. This level of service would likely deteriorate. With 271 Residential units, a 10% vacancy rate, and average household size of 2.38 (US Census 2006), the community residential population will be approximately 580. Given that 1% or fewer residents tend to volunteer in fire departments, it is expected that the SVFD roster would diminish to 6 members (from its current 30 members). A substantial commitment by the industrial activity, both financial and human resource, will be necessary for the SVFD to maintain its current level of service. Failure to require this commitment will produce a struggling emergency service situation, similar to that currently experienced with the Samoa Peninsula Fire Department.*

CALFIRE suggests a third alternative –the SVFD merge into the Rio Dell Fire Protection District. The Rio Dell FPD is active and immediately adjacent. Both the Rio Dell and Scotia populations would realize benefits in emergency services from this arrangement. A greater Rio Dell / Scotia fire department would be better positioned to withstand the dynamics in budget and personnel This alternative is discussed as a component of Alternative A. The Rio Dell FPD is larger than the City of Rio Dell and is a separate entity. Such a merger should be evaluated.

CALFIRE believes that a significant environmental impact to public services (Section 2.3) may occur unless mitigated. The Service Ratio may be reduced by a factor of five unless mitigated. Adequate mitigation may include, but not be limited to, recommendations included in this letter. The Humboldt County Fire Chief Association and Rio Dell Fire Protection District should be consulted regarding impacts and mitigation from this proposed project.

Response: The following responses to comments were prepared by John Broadstock, Chief of the Scotia Volunteer Fire Department (October 2, 2008). The CDF statement that the Scotia Volunteer Fire Department (SVFD) is heavily dependent on trained PALCO employees is incorrect. Previously the volunteer base was only employees of PALCO because PALCO was self-insured. The membership now is made of town residents who are employed by Humboldt Redwood Company, TOS, or employed outside of town.

The SVFD has secured outside workers compensation insurance to allow non-company employees to join the fire department. Town residency has also opened up to those not directly related to either company. This has brought some very qualified volunteers to the SVFD. The current SVFD membership consists of 20 volunteers. There are two others going through the screening process (background/physicals) at this time.

Comments that our membership will diminish to six is also incorrect. The company businesses, HRC, and TOS are in very good financial standing, which will promote long standing employment. This will keep Scotia a desirable place to live so the population will not be affected.

Listed volunteer base of direct and indirect employees:

HRC:	9
TOS:	6
Outside Employers:	5 + 2 others going through the screening process

Experience level of chief officers:

1 Chief:	21 years
2 Assistant Chiefs:	22 years and 17 years
2 Captains:	12 years and 6 years
1 Lieutenant:	6 years

The majority of firefighters have attended the Humboldt County Firefighter 1 Academy, which is State-certified. The volunteers are sent to other County offered trainings such as the Humboldt County Firefighter Workshops. Most are trained to the first responder level as part of the Emergency Medical System (EMS) and all are trained in Cardiopulmonary Resuscitation (CPR)/first aid and professional rescuer level which incorporates automated external defibrillator with OX (oxygen) administration certification.

To list the firefighter level of experience and diversity, there are two CalFire firefighters with approximately 15 years experience between them; one previous volunteer with another department with 15 years experience, one previous SVFD volunteer who changed employment and rejoined the department after the acquisition of the workers compensation insurance with 19 years with SVFD; one other past volunteer with our department who has rejoined and is approximately one year from becoming a registered nurse. The current level of the SVFD firefighters' years of experience ranges from zero to 15 years.

The issue of SVFD merging with Rio Dell Volunteer Fire District was explored in late 2006. Chief John McFarland of the Arcata Fire Department was involved with that endeavor, which failed due to the Rio Dell Fire District Board vote. The merger talks began with the possible sale of the houses to the local residents. This would have enabled the SVFD to become separate from PALCO and open up avenues for the workers compensation insurance, which would have allowed more volunteers available for major incidents in adjoining towns. It would have also provided some grant funding opportunities. Currently, both Rio Dell Volunteer Fire Department and SVFD respond on an auto-aid for structure fires or major incidents. Both departments respond to other emergencies when requested.

3) Letter from the Local Agency Formation Commission, (February 25, 2008)

Comment 3.1 General Comments: *The Introduction and various sections of the DEIR indicate that the document will serve as a Program Environmental Impact Report (PEIR) for the project. However, many portions of the project are in their final discretionary stages, such as the Tentative Subdivision Map and CSD formation. The detail and specificity of the information available for these actions necessitates a project-level analysis. With no additional discretionary actions by the County, project-level analysis would not occur unless considered in this document. It is essential that this EIR be revised to include project-specific details of these actions, including the mandatory improvements to the water, wastewater, and drainage systems necessary to support CSD formation.*

Response: Comment correct. The proposed project description includes many project-level features. The Draft PEIR provides a program level analysis of the amendments to the County General Plan and zoning regulations and extension of the urban limit line. The Tentative Subdivision Map and CSD formation are evaluated on the basis of changes in ownership of residential and commercial lots and operations and maintenance of the water, wastewater, stormwater and selected roads. A project-level analysis focuses on potential impacts of utility trenching, development of newly-created residential and commercial lots, limited number of secondary dwelling units, impacts on historically significant resources, among others. Mitigation measures are included for both program and project-level impacts and designed to reduce potential impacts to less than significant.

Comment 3.2 Page i: *The Introduction indicates that “The CSD would be administered by an elected board of directors, which would maintain the same duties and responsibilities as management under a city council.”*

The actual services provided by the CSD would be limited to those identified on the enabling legislation and formalized within the LAFCO application. The duties and responsibilities of the CSD will be limited and will not be equivalent to those of a city council. For clarification on the services to be included within the CSD, please refer to the application filed with Humboldt LAFCo.

Response: Comment correct. The duties and responsibilities of the CSD will be limited and will not be equivalent to those of a city council.

Comment 3.3 Page ix. Environmentally superior Alternative: *this section indicates that this alternative is superior because it has less damage to the environment, and “meets the objectives of PALCO,” however, Humboldt County is the lead agency for the proposed project. Project objectives should be identified as the County’s objectives, not the objectives of PALCO. The alternatives section should be revised to reflect objectives of the County for the project, and the alternatives reviewed for meeting these objectives.*

Response: CEQA Guidelines Section 15124 requires a description of the project. Section 15124 (b) requires a “statement of objectives sought by the proposed project,” and “The statement of objectives should include the underlying purpose of the project.” Typically, the objectives of the project are those sought by the applicant, in this case TOS (formerly PALCO). Humboldt County is

the lead agency under CEQA. The implied objectives of the County are that the proposed project comply with General Plan policies, zoning regulations, other applicable rules and regulations and comply with CEQA.

Comment 3.4 Page xii and xiii: The Draft EIR indicates that no impacts are expected from the project relative to land uses, public service, utilities, and traffic. This statement is factually incorrect as there are individual commercial, industrial, and residential lots being created by the project, each with the potential to affect these environmental topic areas. A program-level EIR must consider the potential impacts of development of such parcels. The analysis should include a full quantification of the maximum allowable development on these parcels, including the likely air quality, noise, land use, service, utility, and traffic impacts anticipated to occur from development and redevelopment on the site. This analysis must reflect the allowable densities and setbacks set forth by the General Plan and Zoning designations on the site.

Response: The Draft PEIR addresses the potential impacts of development of 3 newly created residential lots and 2 newly created commercial lots at a project level analysis. The new lots will comply with underlying zoning regulations related to principally permitted uses and uses allowed with a use permit, yard requirements, and lot coverage among others. Impacts associated with development of these new lots include air emissions during construction; noise, water quality, and traffic issues during construction; possible encounter of unknown archaeological resources; and capacity of water and sewer facilities to accommodate the new parcels. The project-level analyses are presented in each section under “Chapter 2: Community Environment” and “Chapter 3: Natural Environment” of the Draft PEIR. In each case, mitigation measures are proposed to reduce potentially significant impacts to less than significant.

Comment 3.5 Introduction, Pages 1-16 through 1-20: This section does not provide sufficient consideration of infrastructure improvements necessary to support the project. Consistent with the pending application for CSD formation with Humboldt LAFCo, formation of the CSD requires major improvements and upgrades to the existing systems for drainage, sewer, and water services. The details of these improvements are known and are essential for formation of the CSD and operation of the system to support the project. The DEIR needs to include a full listing of the improvements required, and evaluate these improvements for impacts to all environmental topics. At a minimum, this should include analysis of impacts to air quality, biology, geology, hydrology, noise, public service, and traffic.

Response: The Draft PEIR includes a full listing of the improvements required and evaluates the potential impacts of these improvements. Many improvements are mechanical and pertain to the optimum function of the water, wastewater, and stormwater facilities. For example, the water storage tank will require a seismic upgrade and two turbidity meters. These are not activities that will result in “physical changes to the environment” as defined by CEQA. In instances that do involve a physical change to the environment, the potential impact of these changes is addressed at a project level analysis. For example, impacts associated with utility trenching to replace 3-inch water distribution lines with 4-inch lines and relocated to existing public rights of way (roadways) are addressed in detail.

Comment 3.6 *Section 2.3 Public Services: This section should include a discussion of call volumes and response times for both police and fire protection. Additionally, the section covering fire protection should include a discussion of water pressure. This information is available and necessary to make a reasoned conclusion regarding the adequacy of services.*

Response: The core of the project will not result in any significant physical changes in the environment. Amendments to the County General Plan and zoning code and extension of the urban limit line simply reconcile what is on the ground with corresponding general plan policies and zoning regulations. The subdivision will create individual lots for existing houses, commercial and industrial facilities (including 5 vacant lots) while the CSD will provide for operation and maintenance of water, wastewater, and stormwater facilities and roads not maintained by the County. At the level of a PEIR, none of these actions will involve “physical changes to the environment.” At a project level, as discussed above, detailed analysis of potential impacts resulting from development of newly created lots, relocation of water and sewer lines, improvements to stormwater drainage, etc. are identified and, where necessary, mitigated to less than significant. None of the program-level or project-level features will result in any changes to call volumes or response times for both police and fire protection. Existing water pressure remains adequate for fire suppression.

Comment 3.7 *The full listing of public services to be provided by the CSD is included within current application materials at LAFCo, and is available to the County. Specifically, the information is included within the Municipal Service Review and plan for services submitted to LAFCo as part of the CSD formation application. All improvements necessary to serve the project are required to be included and considered within the DEIR, and must be evaluated for their impacts to the environment.*

Response: Comment noted. All improvements necessary to serve the project are included and considered within the Draft PEIR. As noted above, actions that do not result in “physical changes in the environment” are not subject to CEQA.

Comment 3.8 *The DEIR analysis must also be revised to reflect the potential increases in service demands associated with buildout of the project. With vacant lots included within the subdivision, there is substantial opportunity for increased demand on public services. The specific demand must be quantified and analyzed within this section.*

Response: The Draft PEIR concluded that the addition of three residential and two commercial lots will not result in significant increases in demand for public services. The capacity of water and wastewater systems far exceeds current demand. The water storage tank can store 800,000 gpd, the limiting elements of the water treatment system have a capacity of 622,000 gpd, and current average water use is measured at 484,400 gpd. Wastewater capacity is also considered adequate and available to support new development of the additional lots. The same goes with stormwater, traffic, and roadway capacity to accommodate traffic generated by development of additional lots (see also responses to comments 1.15, 1.38, and 1.44).

Comment 3.9 Section 2.4 Utilities and Services: *In addition, the DEIR makes numerous references to the lack of certainty regarding the services to be provided by the Scotia CSD, and provides no information on the improvements to the water, wastewater drainage, and other systems necessary to serve the project. While the land uses are developed, transfer of these utility systems to a public entity such as the Scotia CSD will require numerous upgrades and improvements.*

Specific statements within this section of the DEIR do not reflect the requirements necessary to adequately serve the residents of the proposed project. These are documented below.

Response: Upgrades and improvements to the public utility and service systems are described in detail on pages 1-16 to 1-20 of the Draft PEIR.

Comment 3.10 *The DEIR indicates that the project should not require improvements to the water system. This is factually incorrect. Improvements needed within the water system are documented in the Municipal Service Review at LAFCo. Improvements include replacement of water distribution lines, installation of water meters, relocated lines, combination of potable/fire suppression water systems, seismic upgrades to the Water Treatment Facility, and installation of turbidity meters. Each of these actions is necessary as part of the project description, and must be analyzed in full detail.*

Response: The Draft PEIR does not state nor imply that improvements to the water system are not required. In section 2.2.4 Impacts and Mitigation, Impact 2.2.4 states that, “Water distribution and wastewater collection systems are being upgraded to meet current standards of practice to serve residential and commercial areas and would not create a significant impact.”

Many of these upgrades and improvements do not involve “physical environment changes” as posited by CEQA. Examples of these include features such as installation of water meters and turbidity meters. Others (such as, utility trenching to relocated water distribution lines within public rights-of-way) that do involve “physical changes to the environment” are addressed in detail in the Draft PEIR.

Comment 3.11 *Improvements to the wastewater system are also needed to serve the project, and must be documented and analyzed within the EIR. Improvements needed within the wastewater system are documented in the Municipal Service Review at LAFCo. The Municipal Service Review for the CSD formation indicates that "a majority of the [wastewater] system needs to be replaced." Improvements necessary to serve the proposed EIR project description include: relocation of the entire collection system to align with rights-of-way, replacement of all service laterals, new manholes and cleanouts, lining of Mill A and B lines, and treatment plant improvements. Each of these actions is necessary as part of the project description, and must be analyzed in full detail.*

Response: The Draft PEIR addresses all of the improvements to the wastewater system referred to in the comment that may result in “physical changes to the environment.” Each of these improvements is described in detail in the “Project Description” and impacts are analyzed in the chapters on community and natural environments in the Draft PEIR

Comment 3.12 *Improvements to tile storm drainage system are also needed to serve the project, and must be documented and analyzed within the EIR. Improvements needed within the storm drainage system are documented in the Municipal Service Review at LAFCo. Improvements necessary to serve the proposed EIR*

project description include: replacement of storm drainage lines and pipes, installation of new drain inlets and manholes, and repair of existing inlets end manholes on industrial properties within the project area. Each of these actions is necessary as part of the project description, and must be analyzed in full detail.

Response: The Draft PEIR addresses all of the improvements to the storm drainage system referred to in the comment that may result in “physical changes to the environment.” Each of these improvements is described in detail in the Project Description and impacts are analyzed in the Chapters on Community and Natural Environments.

Comment 3.13 Transportation: No impacts to transportation or roadways are identified resulting from improvements and realignments of public facilities. Please refer to the Town of Scotia Community Service District Municipal Service Review (November 2007), Section 3.4: Circulation for a discussion of impacts to roadway systems anticipated by the proposed CSD formation. Please include a discussion of impacts and planned improvements to the roadway system that would result from the improvements required to the utility and service systems within Scotia, resulting from the proposed project.

Alternatives: The No Project Alternative is identified as having no environmental impacts to service provision or impacts resulting from service and utility system upgrades. Additionally, Alternative B - Homeowners Association and Private Utilities is identified as having no impacts related to service provision or impacts resulting from service and utility system upgrades.

Response: Discussion of planned improvements to the roadway system are presented on page 1-20 of the Draft PEIR and repeated below:

- 0.2 foot overlay of asphalt concrete pavement throughout effected streets;
- patching, leveling with appropriate base course thickness (as required);
- some curb replacement in kind (as required);
- repairs to the retaining wall at south end of B Street; and
- safety issues to address basic signage and stop bars.

Discussions of impacts to the roadway system are addressed on pages 2-44 and 2-45 of the Draft PEIR. A SWPPP will be prepared as part of the engineering design for utility line replacement. This plan will control erosion, and ensure that runoff and sediment do not reach the Eel River. An encroachment permit will be required to perform work within County right-of-way. If necessary, a traffic control plan approved by the County will be submitted by the contractor identifying road closures and detours necessary to install new utility lines. Any changes in traffic flow will be temporary and return to normal upon completion of construction.

Comment 3.14 Under both of these alternatives, no impacts related to service or utility systems are identified. However; the utility service system upgrades that are anticipated with the proposed project would also be required under this alternative. These improvements are analyzed in detail in the Town of Scotia Community Service District Municipal Service Review (November 2007) and are summed above under Utilities comments. Improvements to service systems and utilities within the town of Scotia are anticipated under both of these alternatives. The impacts associated with these improvements must be identified and discussed within the analysis of both the No Project Alternative and Alternative B - Homeowners Association and Private Utilities.

Response: See responses to comment 3.13 above. The No Project Alternative would have no environmental impacts to service provision or impacts resulting from service and utility system upgrades because there would be no subdivision requiring upgrades or improvements to local roads and utility service systems. Under Alternative B, Home Owners Association and Private Utilities, impacts to service or utility systems, as with the proposed project, would be mitigated to less than significant.

Comment 3.15 *Additionally, the alternative considering annexation to the City of Rio Dell must provide detailed information regarding the proposed differences in improvements and service levels from the proposed project. The current analysis does not sufficiently identify improvements required by the City, nor does it make either a qualitative or quantitative evaluation of the differences of such standards. Revise the EIR to reflect this information, all of which is readily available through public sources (Humboldt County, Humboldt LAFCo, and City of Rio Dell).*

Response: CEQA requires a description of a range of “reasonable alternatives” and discussion of significant effects of the alternative, but in less detail than the significant effects of the proposed project (CEQA Guidelines, Section 15126.6 (d)).

During discussions related to the possible annexation of Scotia to the City of Rio Dell, the City of Rio Dell maintained the position that all infrastructure (water, wastewater, stormwater, roadways, and frontage improvements) in Scotia must be replaced to meet City of Rio Dell standards for “new development.” PALCO (now TOS), on the other hand, is only willing to apply standards for new development for new construction of those sections of the infrastructure that were documented in 2006 to be physically and hydraulically deficient, and/or need to be relocated within new public right-of-way as well as infrastructure to newly created residential and commercial lots. The cost differences are considerable between what the City of Rio Dell and PALCO considered being necessary for annexation. Higher costs would lead to higher rates than those required by the CSD, adversely affecting the affordability of the homes in Scotia. While improvement costs are not an issue subject to CEQA, they certainly can be viewed as a justification for not pursuing annexation.

Additionally, fully implementing the City’s subdivision standards, including ADA would result in significant environmental impacts to aesthetic and historic resources and eliminate the historic integrity of Scotia.

The Draft PEIR summarizes the costs associated with upgrading existing infrastructure to City of Rio Dell’s standards (see page 4-4).

4) Letter from the Native American Heritage Commission, January 15, 2008

Comment 4.1: *Contact the appropriate Information Center for a record search to determine:*

- *If a part or all of the area of project effect (APE) has been previously surveyed for cultural resources. Completed prior to 01/15/08.*
- *If any known cultural resources have already been recorded on or adjacent to the APE.*

- *If the probability is low, moderate, or high that cultural resources are located in the APE,*
- *If a survey is required to determine whether previously unrecorded cultural resources are present.*

Response: The North Coast Information Center (NCIC) was contacted and conducted a complete records search for the town area of Scotia to determine if the area might contain culturally sensitive sites or evidence of prehistoric resources. The records search found no sites or further information regarding previously recorded prehistoric resources in the project area. The NCIC concluded that there was a low to moderate probability of finding sites or other evidence of human or cultural activity in the project area. While no recorded information was found, the NCIC stated that there is a possibility that additional documents and records may exist elsewhere (NCIC, September 2006).

Comment 4.2: *If an archaeological inventory survey is required, the final stage is the preparation of a professional report detailing the findings and recommendations of the record search and field survey.*

- a. *The final report containing site forms, site significance, and mitigation measures should be submitted immediately to the planning department. All information regarding site locations, Native American human remains, and associated funerary objects should be in a separate confidential addendum, and not be made available for public disclosure.*
- b. *The final written report should be submitted within 3 months after work has been completed to the appropriate regional archaeological information center.*

Response: No archaeological inventory survey is required.

Comment 4.3: *Contact the Native American Heritage Commission for:*

- *A Sacred Lands File Check. Check completed with negative results, 01/15/08.*
- *A list of appropriate Native American contacts for consultation concerning the project site and to assist in the mitigation measures. Native American Contact List attached.*

The NAHC makes no recommendation or preference of a single individual, or group over another. This list should provide a starting place in locating areas of potential adverse impact within the proposed project area. I suggest you contact all of those indicated, if they cannot supply information, they might recommend other with specific knowledge. If a response has not been received within two weeks of notification, the Commission requests that you follow-up with a telephone call to ensure that the project information has been received. If you receive notification of change of addresses and phone numbers for any these individuals or groups, please notify me. With your assistance we are able to assure that our lists contain current information.

Response: A Sacred Lands file check was completed with negative results.

Comment 4.4: *Lack of surface evidence of archeological resources does not preclude their subsurface existence. Lead agencies should include in their mitigation plan:*

- *Provisions for the identification and evaluation of accidentally discovered archeological resources, per CEQA Guidelines §15064.5(f).*
- *Provisions for monitoring all ground-disturbing activities in areas of identified archaeological sensitivity by a archaeologist meeting the professional qualifications as defined in the in the Secretary of the Interior's Standards and Guidelines for archaeology and a culturally affiliated Native American monitor.*

- ***Provisions for the curation of recovered artifacts, per CEQA Guidelines 15126.4(5)(b)(3)(C), in consultation with culturally affiliated Native Americans.***
- ***Provisions for discovery of Native American human remains. Health and Safety Code §7050.5, CEQA Guidelines §15064.5(e), and Public Resources Code §5097.98 mandates the process to be followed in the event of an accidental discovery of any human remains in a location other than a dedicated cemetery.***

Response: The Draft PEIR acknowledges the possibility of encountering unknown archaeological resources and proposes mitigation to reduce any potential impact to less than significant (see page 2-39 of the Draft PEIR). The mitigation measure is repeated below:

Mitigation Measure 2.5.2: In the event any archaeological subsurface resources are discovered during construction-related activities, all work within 100 feet of the resources shall be halted and the project applicant shall consult with a qualified archaeologist to assess the significance of the find. If any find is determined to be significant, then representatives of the project applicant, Humboldt County, and a qualified archaeologist would meet to determine the appropriate course of action, which would include coordination with the Native American Heritage Commission. If the discovery includes human remains, the County coroner and the Native American Heritage Commission would be contacted to determine if the human remains are of Native American origin.

5) Memo from Humboldt County Department of Public Works Land Use Division

Comment 5.1 Page vi 3rd paragraph. The Department support including upgrading pedestrians facilities as part of the project. ADA compliance must be required as part of the project.

Response: Comment noted. The applicant understands and acknowledges that ADA compliance, and compliance with all statutory and regulatory regimes, will be required at the project level. Under the relevant regulation, compliance will vary, as the Department has the discretion to consider designs and to accept implementation of context-sensitive alternatives given the unique nature of the Scotia community and its apparent qualification for designation as a historic district.

Comment 5.2 Page vi 4th paragraph. It has not been shown that providing ADA compliant pedestrian facilities for this project will create a significant environmental impact to the historic resources. ADA compliance is required for all facilities, regardless of historical context.

Typically, the Department uses Caltrans standard plans for curb ramp standards. However, Caltrans standard plans “one size fits all” approach may not work for Scotia. The Department is willing to consider alternative designs, provided that they comply with ADA.

Response: Comment noted. The applicant acknowledges ADA compliance may be required where substantive street improvements are undertaken. When improvement plans are proposed in detail, alternative proposals, sensitive to Scotia’s unique historic community context, can be considered

with and by the Department. The applicant appreciates the Department's observation that standard, "one size fits all" approaches may not work in the context of Scotia's historically significant resource values and that the Department's willingness to consider alternative designs.

Comment 5.3 Page vi 5th paragraph. "The Draft PEIR concluded that ready access is already being met." This is incorrect. None of the sidewalks and curb ramps are compliant with current ADA standards.

"Existing curb ramps are in place." This is incorrect. There are some existing curb ramps. None are ADA complaint.

Response: Comment noted. The applicant acknowledges that the entirety of the town is clearly not now compliant with current, new-development standards. The Draft PEIR response was intended, rather, to indicate that many of the curb ramps and other ready access facilities now in place are in compliance with the applicable ADA standards in effect at the time they were built. This is particularly true in the more recently developed areas of the commercial district. Some of these facilities may remain in place without substantive change, and therefore, they will remain consistent with ADA.

Comment 5.4 Page vi 6th paragraph. "Full frontage improvements would adversely affect the streetscape and substantially change the overall aesthetic character of the town." The Department disagrees. Construction techniques can be used to ensure that re-construction (and new construction) is compatible with historic areas.

Examples include, but are not limited to: stained concrete; concrete score lines to reflect historical patterns; relocation of existing fences (or reconstruction of fences to match existing); stained and stamped concrete to replicate wood (or other materials).

Response: Comment and examples noted. Historic context-sensitive alternatives can and will be proposed in connection with development plans at a project level. Please also see responses to comments 1, 2, and 3 above.

Comment 5.5 Page 2-10 8th paragraph, Comment 1.18. Informational Note: The Department has recommended that Applicant must submit a complete hydraulic report and drainage plan regarding the subdivision for review and approval by this Department. This may require the construction of drainage facilities on-site and/or off-site in a manner and location approved by this Department. The drainage report shall show the hydraulic grade line of the storm drain system to pass a Q100 storm. Positive field location (X, Y, and Z coordinates) of the storm drain will be required to perform the drainage study. Z coordinate shall contain flowline elevations of conduits as well as "top of grate", "top of manhole", etc. elevations.

Response: Informational note acknowledged. The applicant acknowledges need to provide hydrologic report and drainage plan.

Comment 5.6 Page 2-13 5th paragraph, Comment 1.25. This paragraph is in error. The following codes support the Department's recommendations for roadway (and pedestrian) improvements:

County Code:

324-1 (b) Any road, or part thereof, lying within the subdivision shall be constructed to the standards in the appendix to this division.

324-1 (c) In addition, off-site improvements may be required. The Director of Public Works shall require such off-site improvements as he finds necessary for:

(1) The orderly and planned improvement of off-site roads to the standards specified in the appendix to this division, within a reasonable time, considering the probable future growth in the area.

(2) The safe and orderly movement of persons and vehicles; and

(3) Providing roads which can be maintained at a reasonable cost.

General Plan, Framework, Volume 1:

4231 (8) (d) Encourage the development of a road system that supports an orderly pattern of land use through improving roads to accommodate land uses served by an inappropriate road classification.

4237 (9) All circulation planning shall be based upon the County's very limited ability to construct new projects. To the maximum extent feasible, necessary circulation routes and facilities shall be obtained as a condition of approval for land development projects.

4231 (6) Humboldt County recognizes that the era of abundant and inexpensive energy has ended. Energy considerations must become a critical element in all policy decisions involving the selection and use of transportation systems.

Also see Item 4 above.

Response: See responses to comments 1, 2, and 3 above. The applicant recognizes the content of the county code and general plan policies and will comply. Due to the unique nature of the Scotia community, the project may include context-sensitive alternatives to standard, one-size-fits-all improvement criteria and still meet the intent and requirement of the county code.

Comment 5.7 Page 2-14 1st and 2nd paragraph, Comment 1.26. These paragraphs are in error. The existing pedestrian facilities are not ADA compliant (lack of curb ramps; and substandard sidewalk widths) and must be improved to be ADA compliant to be considered an accessible route. Therefore, these facilities must be upgraded to meet ADA standards based upon County Code Sections 324-1 (b) and 324-1 (c).

Also see Item 4 above.

Response: See responses to comments to 1, 2, and 3 above. Many of the existing pedestrian facilities in place are in compliance with the applicable standards in effect at the time they were built. Depending upon specific development plans, some of these facilities may remain in place and compliant with the law. Where substantive street or facility improvement is undertaken, ADA compliance will be achieved.

Comment 5.8 Page 2-36 3rd paragraph, Comment 3.5. See Item 5 above.

Response: Comment noted. Applicant acknowledges and intends to prepare a complete hydrologic report and drainage plan.

Comment 5.9 Page 2-39 1st paragraph, Comment 3.13. This item does not address curb ramps and sidewalk improvements.

Response: Please see responses to 1, 2, and 3 above.

Comment 5.10 Page 4-3 Last paragraph Section 2.4.2. Item 6 of Section 4231 Roads Volume 1, support the need for adequate sidewalk system which promotes walking, which in turn reduces the need for automobile transportation.

Response: Comment noted. Project level design work will be guided by this policy, and context sensitive alternatives may be proposed for sidewalk and other accessible facility development while remaining compliant with ADA.

Chapter 3

Changes to Project Description

While the project description, purpose, and configuration evaluated in the environmental document remains unchanged, the identity of the project applicant and relevant property owner has changed. The project proponent changed as a result of a reorganization of The Pacific Lumber Company and its subsidiaries and affiliates (PALCO) through Chapter 11 bankruptcy. Briefly, the reorganization resulted in the ownership of The Pacific Lumber Company assets shifting from debtors to reorganized entities, and as relevant here, the project applicant is now the Town of Scotia Company, LLC (TOS).

In the context of this Final PEIR, references to PALCO from the Draft PEIR are rephrased as references to TOS as necessary.

The SVFD will be organized as part of the CSD.

Additional references are included in the list of Documents Incorporated by reference as presented in the Draft PEIR (see pages 1-3 through 1-6 of the Draft PEIR as follows:

SHN Consulting Engineers & Geologists, Inc. (December 2002). *Phase I Environmental Site Assessment, Town of Scotia, California (All or Portions of APNs 205-341-019, 205-351-016, 205-351-018, and 205-351-019)*. Volumes I and II. Eureka: SHN.

- . (April 9, 2003). "Scotia, Abattoir, Initial Subsurface Soils Characterization Investigation Summary." Eureka: SHN.
- . (June 2003). *Remedial Action Plan, PALCO Company Garage, Scotia, California*. Eureka: SHN.
- . (September 2, 2003). "Scotia, Mill A, Initial Subsurface Soils and Groundwater Characterization Investigation Summary." Eureka: SHN.
- . (November 12, 2004). "Scotia, Mill B, Green Chain Area, Initial Subsurface Soils Characterization Investigation Summary." Eureka: SHN.
- . (July 2006). *Revised Corrective Action Plan, PALCO Company Garage, Scotia, California*. Eureka: SHN.
- . (August 14, 2006). "Scotia, Mill B, Sawmill/Monorail, Carrier Shop, Machine Shop, Diesel Tank, and Bunker/Locomotive Areas, Initial Soils and Groundwater Characterization Investigation Summary." Eureka: SHN.
- . (September 8, 2006). "PALCO Mill B Area, Scotia, California." Eureka: SHN.
- . (October 2007). *Additional Subsurface Investigation Report of Findings, Former Carrier Shop and Former Bunker C AST/Locomotive Shop Areas, Scotia, California*. Eureka: SHN.
- . (April 2008). *High Vacuum Dual Phase Extraction System Pilot Test Work Plan, PALCO Company Garage, Scotia, California*. Eureka: SHN.

1.9.4.7 Changes to Infrastructure

Replacement of Fire Protection Tanks

Since completion and circulation of the Draft PEIR, engineers have recommended that the two existing 500,000 gallon water tanks used for fire protection, and located at the tank farm east of Highway 101 be replaced by one new 750,000-gallon concrete water tank. The new tank will best serve the fire protection needs of the town and industrial facilities well into the future, as well as limiting the liability of the CSD.

Replacement of the existing tanks is required as appropriate maintenance of the existing fire protection system, and is not a result of the proposed project. This tank replacement will occur even under the no project alternative. The fire tank replacement is a separate project, and a specific CEQA review will be conducted.

The steps involved in installing the foundation and tank are summarized below:

1. Taking one tank out of service
2. Demolition of existing steel tank taken out of service and recovery of scrap metal
3. Constructing the new tank foundation
4. Removal and proper disposal of the existing sand/oil bedding material that exists below the tank if this bedding material cannot be reused under the new tank.
5. Construction of the new cast-in-place concrete tank
6. Installation of tank piping and appurtenances
7. Installation of connections to the existing yard piping
8. Hydrostatic pressure testing of new concrete tank and systems
9. Putting the new tank in service
10. Taking the second existing steel tank out of service
11. Demolition of the second existing steel tank and recovery of scrap metal
12. Removal of remaining sand/oil bedding material.

Chapter 4

Changes to Environmental Setting

During the public review and comment period, information was received that required modification of the environmental setting (existing conditions) as presented below. This information does not constitute or pose any new or different potentially significant adverse impacts that would require any new or different mitigation not already identified and incorporated in the project; nor does this information identify any new mitigation that the project proponent has refused to incorporate.

Chapter 2. Community Environment

Land Use and Planning

2.1.1 Environmental Setting

Insert the following text at the end of the section:

Secondary Dwelling Units. Of the existing residential lots, only 5 conform to current zoning requirements. Of those 5, some may or may not have adequate size or yard dimensions or maximum lot coverage to accommodate secondary dwelling units. Combined with three new residential lots to be created by the subdivision, a total of 8 lots may be able to accommodate secondary dwelling units.

Streamside Management Area. According to the Streamside Management Area (SMA) ordinance adopted with the grading ordinance, the SMA is reduced (from 100 feet to 50 feet for perennial streams and 50 feet to 25 feet for intermittent) inside urban development areas and urban expansion areas. The act of placing an area that is currently outside of an urban limit line would effectively reduce the SMA width. The Scotia project is basically dealing with an already developed community and proposes no new development within either SMA width.

Timberland Conversion. “Conversion” from timber growing to other land uses may occur either on land that is zoned for timber production or land that is still timberland but which is not zoned for timber production. Within TPZ lands, timberland conversion means the immediate rezoning of TPZ, whether timber operations are involved or not.

According to 14 CCR § 1104.3, a timberland conversion exemption is applicable to the following situations of converting timberland:

1. Non-timber use only, of less than three acres in one contiguous ownership, whether or not it is a portion of a larger land parcel and shall not be part of a THP;
2. Construction or maintenance of right-of-way by a public agency on its own or any other public property;

3. Construction or maintenance of gas, water, sewer, oil, electric, and communication right-of-way by private or public utility; and
4. Subdivision development outside of TPZ.

It appears that the project is exempt due to situation number 3 above. No new construction is planned or proposed that would be considered a change of land use on TPZ lands or other current timberland. No rezoning of TPZ land is proposed and no conversion of timberland to any incompatible use is posed.

Population and Housing

2.2.1 Environmental Setting

Of the 272 residences in the Town of Scotia, 250 are currently occupied by company-related families. This includes employees of 1) the mill and timberland operator, (HRC), 2) employees of the Town of Scotia Company, LLC (TOS) and its facilities and services, or 3) contractors, consultants, or employees of contractors and consultants who provide important products or services for HRC or TOS. Rentals in Scotia have recently been made available to the general public, and strong interest has been noted generally, with a very low vacancy rate.

At any given time approximately, 5 homes are vacant, generally when in transition; under repair; or in the process of being cleaned, painted and prepared for new tenants.

Public Services

2.3.1 Environmental Setting

Fire Protection. Insert the following text at the end of the section:

The SVFD has secured outside workers compensation insurance to allow non-company employees to join the fire department. Town residency has also opened up to those not directly related to either company. This has brought some very qualified volunteers to the SVFD. The current SVFD membership consists of 20 volunteers. There are two others going through the screening process (background/physicals) at this time.

The majority of firefighters have attended the Humboldt County Firefighter 1 Academy, which is State-certified. The volunteers are sent to other County offered trainings (such as, the Humboldt County Firefighter Workshops). Most are trained to the EMS first responder level and all are trained in CPR/first aid and professional rescuer level which incorporates automated external defibrillator with OX administration certification.

Utilities and Service Systems

2.4.1 Environmental Setting

Water. Insert the following at the end of the section:

The current fire supply tank farm is accessible by means of an existing road. The two existing 500,000-gallon tanks share a level pad on the north side of the access road, surrounded by a clear zone to keep debris and falling limbs and trees away from the tanks. A 1,000,000-gallon treated domestic water tank occupies a pad independent from the fire supply tanks on the south side of the access road. The water tank farm and surrounding land are zoned TPZ and share the setting with second-growth timber. A separate and subsequent CEQA analysis will be conducted.

Solid Waste. Replace the first paragraph with the following:

Solid waste collection and disposal is provided by Eel River Disposal & Resource Recovery. According to Eel River staff, the quantity of solid waste collected in Scotia is not accounted for separately from other unincorporated areas; one truck provides collection in residential areas once a week, and other waste is collected at the Fortuna transfer station and various drop-off locations in the area (Karen Smith, personal communication). Typical residential waste generation rates are on the order of 0.44 tons per person per year in Humboldt County (California Integrated Waste Management Board, 2007), which corresponds to approximately 375 tons of waste per year for Scotia.

Scotia is within the County jurisdiction and the County is a member of the Humboldt Waste Management Authority. Scotia solid waste is disposed at the transfer station in Eureka. From there, the waste is transported by truck to existing, permitted disposal facilities, either Anderson Solid Waste Disposal Site in Shasta County, California, which is expected to close in 2055; or Dry Creek Landfill near Medford, Oregon, which is expected to close in 2090.

2.4.2 Applicable Plans, Policies, Codes, and Regulations

The Humboldt County General Plan Volume 1, Framework Plan includes policies related to roads, ports, rail, and airports. Almost all of the roads in Scotia are County roads. Applicable policies are listed below:

Section 4231 Roads of Vol. 1 Framework Plan

2. Humboldt County supports improvements and maintenance of public access roads to natural resource areas designated for timber production, agriculture and mining.
3. Significant increase in traffic volumes and turning movements on and off a major expressway/freeway at high volume at grade intersections should be discouraged.

6. Humboldt County recognizes that the era of abundant and inexpensive energy has ended. Energy considerations must become a critical element in all policy decisions involving the selection and use of transportation systems.
8. Encourage the development of a road system that supports an orderly pattern of land use.

Wastewater Collection, Treatment & Disposal.

The Eel River Brewing Company is an existing condition that is part of Mill A operations, and requires no modification of the building exterior. Water and wastewater treatment capacity is adequate to support the brewery operations. Pre-treatment of the brewery wastewater is recommended before discharging to the Scotia wastewater treatment plant (SHN February 22, 2008). Nonetheless, a new commercial source of wastewater, whether resulting from reuse of Mill A or from other changes to existing industrial operations, would require CSD authorization. At a minimum, the CSD will establish conditions of approval requiring pre-treatment and monitoring of the wastewater stream for hookup connection.

TOS is currently negotiating with the Eel River Brewing Company to establish the terms of its new lease following the change of ownership subsequent to the PALCO bankruptcy; this lease will include conditions of approval requiring pre-treatment and monitoring.

Cultural Resources

There are no changes to the Environmental Setting for Cultural Resources.

Aesthetics

There are no changes to the Environmental Setting for aesthetics.

Transportation and Traffic

There are no changes to the Environmental Setting for Transportation and Traffic.

Chapter 3. Natural Environment

Soils and Geologic Resources

There are no changes to the Environmental Setting for Hydrology and Water Resources.

Hydrology and Water Resources

There are no changes to the Environmental Setting for Hydrology and Water Resources.

Air Resources

There are no changes to the Environmental Setting for Air Resources.

Hazards and Hazardous Materials

3.4.1 Environmental Setting

Insert immediately after Table 3-2:

Small 150-pound chlorine gas cylinders are used at the Water Treatment Facility (WTF), which is situated approximately 450 feet (0.09 miles) southeast of the Stanwood A. Murphy (Scotia) Elementary School Upper Complex in a heavily forested area. The chlorine gas cylinders are stored inside, and monitored by chlorine gas sensors. The on-line chlorine cylinders also have a system that will shut down on loss of pressure. This constitutes an existing condition; no changes to the existing WTF chlorination system or new hazard sources are proposed.

Storage of chlorine gas in the WWTF is located approximately 2,100 feet (0.40 miles) west of the school and approximately 90 feet lower in elevation than the school. The one-ton chlorine gas cylinders are stored inside, and monitored by chlorine gas sensors.

The detailed engineering evaluation prepared as part of the CSD formation project calls for assessment of both gas chlorination systems to verify compliance with the 2001 California Fire Code and Article 80 of the Uniform Fire Code and upgrade if needed (SHN, November 2007). At a minimum, Article 80 of the Uniform Fire Code requires facilities using chlorine gas and not equipped with scrubber systems to have the following controls:

- Approved containment vessels or containment systems
- Protected valve outlets
- Gas detection system
- Approved automatic-closing fail-safe valve

Switching to hypochlorite is considered as an alternative to upgrading the existing WTF gas chlorination system.

3.4.2 Applicable Plans, Policies, Codes, and Regulations

Insert under "State and Regional":

Potential risks with regard to chlorine gas releases are managed and reduced through the California Accidental Release Prevention (Cal-ARP) Program. The Cal-ARP Program in this county is regulated by the Humboldt County Division of Environmental Health (HCDEH). Cal-ARP Program requirements are specified in CCR Title 19, Division 2, Chapter 4.5, and OSHA Process Safety Management (PSM) standards (Section 5189 of Title 8 of CCR, or CFR Title 29, Section 1910.119).

Energy and Mineral Resources

There are no changes to the Environmental Setting for Energy and Mineral Resources.
Noise

3.6.1 Environmental Setting

Insert at the end of the section:

The day-night sound level (Ldn) describes the cumulative noise exposure from all events over a full 24-hour period, with events occurring between 10 p.m. and 7 a.m. increased by 10 dB to account for greater nighttime sensitivity to noise. Ldn is the descriptor most commonly employed in environmental noise assessments.

For the purpose of noise assessment, the project is assumed to operate up to three pieces of heavy-duty diesel powered equipment simultaneously. Worst-case noise generated from this equipment is as follows:

Table 3-4 Noise Generated From Construction Equipment Town of Scotia General Plan Amendment, Scotia, CA	
Equipment	Decibel Level
D8 Bulldozer	87 dBA ¹
980 Loader	79 dBA
325 Excavator	74 dBA
Combined Level	88 dBA
1. dBA: A-weighted decibels (Source: Ken Meitl, Technical Services Division of Caterpillar Corp., March 13, 2000)	

Because the construction noise would take place during the day, the day-night sound level is the same as the decibel level.

Biological Resources

In addition to the Eel River, which borders Scotia to the west, there are two unnamed tributaries to the Eel River that pass through the log decks at the south end of Scotia. These unnamed tributaries do not traverse any residential development and no new industrial uses are proposed as part of this project. The project does not propose changes to the existing development adjacent to the Eel River.

The purpose of the extension of the urban limit line is to allow for reduced setbacks from streams, among other policies pertinent to development at urban densities. Urban limit lines and related policies did not exist when the town of Scotia was established. The current setbacks will not allow urban development to encroach further on existing SMAs because any new development beyond existing conditions would be subject to the Streamside Management Ordinance, if applicable. The

Scotia project proposes no new development within either SMA width, because it is basically dealing with an already developed community, therefore the subdivision and formation of a CSD will not result in changes to these conditions.

Agricultural Resources

There are no changes to the Environmental Setting for Agricultural Resources.

Chapter 5

Changes to Impact Assessment, Mitigation Measures, and Monitoring and Reporting Program

During the public review and comment period, information was received that required modification of the impact assessment, as presented below. No changes were required to the mitigation measures and reporting program.

Chapter 2. Community Environment

Transportation and Traffic

2.7.4 Impacts and Mitigation

Impact 2.7.4: Substantially Increase Hazards Due to A Design Feature

Insert the following text at the end of the section:

Most of the utility upgrades will occur within public rights-of-way of County-owned roads. An encroachment permit will be required to perform work within County right-of-way. If necessary, a traffic control plan approved by the County will be submitted by the contractor identifying road closures and detours necessary to install new utility lines. Any changes in traffic flow will be temporary and will return to normal upon completion of construction.

Impact 2.7.5 Result In Inadequate Emergency Access

Insert the following text at the end of the section:

Most of the utility upgrades will occur within public rights-of-way of County-owned roads. An encroachment permit will be required to perform work within County right-of-way. If necessary, a traffic control plan approved by the County will be submitted by the contractor identifying road closures and detours necessary to install new utility lines. Any changes in traffic flow will be temporary and will return to normal upon completion of construction.

Chapter 3. Natural Environment

Hydrology and Water Resources

3.2.4 Impacts and Mitigations

Impact 3.2.4: Impacts Due To Stormwater Runoff

Replace the Impacts and Mitigations paragraphs with the following text:

Level of Impact: Less than significant with mitigation.

Mitigation Measures: A SWPPP will be prepared as part of the engineering design for utility line replacement. This plan will control erosion, and ensure that runoff and sediment do not reach the Eel River.

Hazards and Hazardous Materials

3.4.4 Impacts and Mitigations

Impact 3.4.3: Emit Hazardous Emissions or Handle Hazardous Materials, Within One-Quarter Mile of An Existing or Proposed School

Replace with the following text:

New storage of chlorine gas, or handling or emission of other hazardous materials, is not proposed within ¼ mile of the Stanwood A. Murphy (Scotia) Elementary School.

Level of Impact: Less than significant.

Mitigation Measures: None necessary.

Biological Resources

3.7.4 Impacts and Mitigation

Impact 3.7.2: Have A Substantial Adverse Effect On Any Riparian Habitat or Other Sensitive Natural Community

Replace the Impacts and Mitigations paragraphs with the following text:

Level of Impact: Less than significant with mitigation.

Mitigation Measures: A SWPPP will be prepared as part of the engineering design for utility line replacement. This plan will control erosion, and ensure that runoff and sediment do not reach the Eel River.

Chapter 6

Changes to Alternatives Analysis

As a clarification, insert the following text to Section 4.4.2, under “Utilities and Service Systems” at the end of the paragraph:

However, the HOA would be ineligible to receive financial assistance under most state and federal programs; maintenance and upgrades would have to be financed through private means. Maintenance and upgrades for utilities and service systems (such as, water and wastewater) would have to be financed through private means, which could result in indirect impacts on service quality.

No other changes are proposed to the alternatives analysis. See discussion in the “Executive Summary” on alternative analysis.

Chapter 7

Changes to Other CEQA Considerations

No changes are proposed to the section on other CEQA considerations.

Chapter 8

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- . (NR). 19 CCR, Appendix A Barclays Official California Code Of Regulations Title 19. Public Safety Division 2. Office Of Emergency Services Chapter 4.5. California Accidental Release Prevention (CALARP) Program Detailed Analysis Article 11. Technical Assistance Appendix A. to Title 19, Division 2, Chapter 4.5, Subchapter 1 Table of Toxic Endpoints. NR: NR.
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Chapter 9

List of Preparers

SHN Consulting Engineers & Geologists, Inc.

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ARNOLD SCHWARZENEGGER
GOVERNOR

STATE OF CALIFORNIA
GOVERNOR'S OFFICE of PLANNING AND RESEARCH
STATE CLEARINGHOUSE AND PLANNING UNIT



CYNTHIA BRYANT
DIRECTOR

February 26, 2008

Michael W. Wheeler
Humboldt County Community Development Services
3015 H Street
Eureka, CA 95501-4484

Subject: Pacific Lumber Company, Scotia General Plan Amendment, Zone Reclassification, and Final Map
Subdivision
SCH#: 2007052042

Dear Michael W. Wheeler:

The State Clearinghouse submitted the above named Draft EIR to selected state agencies for review. On the enclosed Document Details Report please note that the Clearinghouse has listed the state agencies that reviewed your document. The review period closed on February 25, 2008, and the comments from the responding agency (ies) is (are) enclosed. If this comment package is not in order, please notify the State Clearinghouse immediately. Please refer to the project's ten-digit State Clearinghouse number in future correspondence so that we may respond promptly.

Please note that Section 21104(c) of the California Public Resources Code states that:

"A responsible or other public agency shall only make substantive comments regarding those activities involved in a project which are within an area of expertise of the agency or which are required to be carried out or approved by the agency. Those comments shall be supported by specific documentation."

These comments are forwarded for use in preparing your final environmental document. Should you need more information or clarification of the enclosed comments, we recommend that you contact the commenting agency directly.

This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act. Please contact the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process.

Sincerely,

Terry Roberts
Director, State Clearinghouse

Enclosures
cc: Resources Agency

RECEIVED

FEB 29 2008

HUMBOLDT COUNTY
PLANNING DIVISION

1400 10th Street P.O. Box 3044 Sacramento, California 95812-3044
(916) 445-0613 FAX (916) 323-3018 www.opr.ca.gov

**Document Details Report
State Clearinghouse Data Base**

SCH# 2007052042
Project Title Pacific Lumber Company, Scotia General Plan Amendment, Zone Reclassification, and Final Map
Lead Agency Subdivision
Humboldt County Community Development Services

Type EIR Draft EIR
Description Pacific Lumber Company is owner of 465 acres of property that constitutes the community of Scotia. The project is a general plan amendment, zone reclassification, final map subdivision, planned development permit and urban limit line extension for portions of Scotia with land use designations of Industrial General or Timberland and zoning of unclassified "U". The request involves changing the land use designation and rezoning approximately 80 acres primarily used for residential uses within the town of Scotia, and subdivision of this area so that existing residences and community facilities are placed on individual lots. Existing residential portions of the town are proposed to be changed from Industrial General to Residential Low Density. Areas of the town that currently include developed utility infrastructure (sewage treatment area, water treatment area/storage, school, and fire station) would be changed from Industrial General or Timberlands to Public Facility. Areas of the town that have existing commercial uses would be changed from Industrial General to Commercial General or Commercial Recreation.

Lead Agency Contact

Name Michael W. Wheeler
Agency Humboldt County Community Development Services
Phone (707) 445-7541 **Fax** (707) 445-7446
email
Address 3015 H Street
City Eureka **State** CA **Zip** 95501-4484

Project Location

County Humboldt
City
Region
Cross Streets Highway 101 and Main Street
Parcel No. 205-351-16, 18, 19
Township 1N **Range** 1E **Section** 7, 8, **Base** HB&M

Proximity to:

Highways 101
Airports
Railways Northwestern Pacific
Waterways Eel River
Schools Scotia and Rio Dell Schools
Land Use Residential, Industrial and Commercial uses
Zoning: Unclassified
General Plan: Industrial General, Timberlands and Commercial General

Project Issues Aesthetic/Visual; Air Quality; Archaeologic-Historic; Cumulative Effects; Drainage/Absorption; Flood Plain/Flooding; Geologic/Seismic; Growth Inducing; Landuse; Noise; Population/Housing Balance; Public Services; Recreation/Parks; Schools/Universities; Sewer Capacity; Soil Erosion/Compaction/Grading; Solid Waste; Traffic/Circulation; Vegetation; Water Quality; Water Supply; Wetland/Riparian; Wildlife

Reviewing Agencies Resources Agency; Regional Water Quality Control Board, Region 1; Department of Parks and Recreation; Native American Heritage Commission; Office of Historic Preservation; Cal Fire; Central Valley Flood Protection Board; Department of Fish and Game, Region 1E; Department of Water Resources; California Highway Patrol; Caltrans, District 1; Department of Toxic Substances Control

Note: Blanks in data fields result from insufficient information provided by lead agency.

Document Details Report
State Clearinghouse Data Base

Date Received 01/10/2008 ***Start of Review*** 01/11/2008 ***End of Review*** 02/25/2008

February 21, 2008

Michael Wheeler, Senior Planner
Humboldt County Community Development Services
3015 H Street
Eureka CA 95501

SUBJECT: City of Rio Dell Comments on the Draft Program Environmental Impact Report for the PALCO General Plan Amendment, Zone Reclassification, and Tentative Map for the Town of Scotia

Dear Mr. Wheeler:

Below are the City of Rio Dell Draft PEIR (SCH #2007052042) comments for the General Plan Amendment, Zone Reclassification, and Tentative Map for the Town of Scotia. Because of Scotia's proximity, the City has a strong interest in the physical changes that could result from the proposed actions by PALCO, currently under review by the County. We request responses to these comments and the opportunity to review and comment on the Final EIR, prior to the County taking any action on these applications.

1.1 **Executive Summary**

Pages xii and xiii: The PEIR indicates there would not be land use, population and housing, public services, utilities, or traffic impacts associated with the proposed project. The PEIR should account for some second unit development on subdivided residential parcels. Also, the Industrial General (IG) and Heavy Industrial Qualified (MH/Q) areas include vacant land (i.e., the sedimentation pond, and large outdoor lumber storage areas east and west of Hwy 101) which could be developed with industrial and other uses under the proposed designation and zoning. Please evaluate buildout of these areas to allowable density and intensity permitted under the proposed County general plan and zoning designations.

1.2 **Introduction**

Page 1-2: A Planned Development ("P") combining zone is proposed to encourage planned developments. If as stated, there would be no new development in Scotia with the exception of several small vacant residential lots, please clarify the purpose and use of the combining zone.

1.3 **Page 1-2:** The proposed Tentative Subdivision Map is a project-level action (e.g., potentially, no further discretionary actions subject to CEQA required). A Program/Project EIR would be the appropriate CEQA document to support the statements in Sections 1.3 through 1.5, that a potential impact will undergo CEQA review at a project-level stage.

1.4 **Page 1-8:** The proposed extension of the Urban Limit Line "...to allow for reduced setbacks from streams..." was not evaluated in the hydrology or biological resources sections of the PEIR. The PEIR must evaluate the water quality and biological resources impacts of allowing urban development closer to existing streams and the Eel River under the proposed project.

1.5 **Page 1-18:** The text indicates that "The WWTF will be required to treat projected flows and loadings based on full residential occupancy, existing commercial connections, existing

- 1.5
cont'd industrial, and additional commercial sources including the reuse the former Mill A facility." However, the PEIR does not make any growth assumption for second residential units despite that these are permitted under the proposed land use designations/zoning, and there are large vacant and underutilized industrial areas in Scotia (e.g., vacant areas, log storage areas, sedimentation pond) and that could be developed with new industrial uses. The development of these areas is highly possible given PALCO's Chapter 11 status. Under these circumstances, the would the WWTF have sufficient capacity to serve the development that could potentially occur in Scotia under the proposed project? Any WWTF upgrade to provide the required capacity should be evaluated.
- 1.6 Pages 1-16 through 1-20: All the infrastructure improvements, WWTF upgrades (including collection, treatment and disposal), storm water collection system upgrades, road improvements, etc., are a part of the proposed project and not part of separate projects under CEQA. Please evaluate the impacts (traffic, biological, water quality, geological, etc.) associated with utility line trenching, development of new infrastructure, and disposal of treated wastewater in the PEIR. Provide plan and impact analyses related to these improvements in the PEIR (rather than separate CEQA documents, MSRs, NPDES permit applications, etc.).
- 1.7 Page 1-22 through 1-25: Because there is no guarantee that LAFCo will approve the CSD, the conditions of approval of the Subdivision Map should include a requirement that PALCO be responsible for providing all services and utilities to the subdivided parcels in the event that the CSD is not approved.
- 1.8 Section 2.1: Land Use and Planning
Page 2-5: One of the functions of the setbacks of the existing Urban Limit Line is to protect the water quality and biological values of area streams and the Eel River. Under the project, this line would be adjusted to allow for reduced setbacks from streams and the river. An analysis must be added to Section 2.1 of the PEIR of this adjustment with respect to the applicable impact evaluation criteria, specifically whether this would conflict with applicable land use plans, policies, or regulations adopted for the purpose of avoiding or mitigating an environmental effect. This adjustment will result in significant land use, water quality and biological impacts, and these impacts must be analyzed in the PEIR.
- 1.9 Page 2-6: Under Impact 2.1.2, it is concluded that the proposed plan complies with applicable [County] land use policies, but the PEIR does not list these policies (as was done for housing in Section 2.2.2), and does not describe how the project is consistent with them. These policies and analysis must be added to the PEIR.
- 1.10 Page 2-6: Impact 2.1.3 concludes that the proposed project is consistent with the PALCO HCP but provides no analysis to make this conclusion. The fact that PALCO does not wish to have its HCP applicable to Scotia does not change the fact that Scotia is subject to the HCP. The analysis supporting the conclusion of a less than significant impact must be added to the PEIR.
- 1.11 Section 2.2: Population and Housing
Page 2-9: The PEIR concludes a less than significant impact (e.g., the project will not induce substantial population growth). However, under the project the residential neighborhoods in Scotia would be subdivided, and the existing residences would be converted from rental units for PALCO employees to market rate units (and units subject to large CSD assessments). The PEIR

- 1.11 cont'd does not disclose the possibility that: (1) this could displace up to 800 existing PALCO residents; (2) that these displaced residents could create a demand for housing elsewhere; and (3) that the 273 existing residential units in Scotia could subsequently be occupied by new residents that can afford the market rate units. Therefore, the proposed plan could induce substantial population growth. This must be evaluated in the PEIR.
- 1.12 Page 2-9: Per our comments on page 2-9 and Chapter 5, the proposed plan could displace existing residents of Scotia (e.g., would displace existing people). Please evaluate this impact.
- 1.13 Section 2.3: Public Services
Page 2-11: Under Section 2.3.2, it is stated that no specific policies in the Humboldt County General Plan Volume I are relevant to the project. There are County General Plan public services policies applicable to the project. Please analyze consistency of the proposed project with these policies.
- 1.14 Page 2-12: The project could potentially displace existing Scotia residents, requiring them to find housing elsewhere, and could attract new residents to Scotia (see comments on page 2-9 and Chapter 5). This would create substantial demand for additional fire/police protection, school, park, and other public services wherever the existing residents relocate to, and may require the construction of new service facilities and schools. This must be evaluated in the PEIR. Also, Section 2.3 doesn't document, evaluate and mitigate the public services impacts associated with the incremental increase in the demand for public services that would be created by buildout of the vacant industrial land and underutilized industrial land (e.g., log storage areas, sediment pond) to the maximum density and intensity of development permitted under the proposed land use designations/zoning.
- 1.15 Section 2.4: Utilities and Services
Page 2-14: With respect to water supply, the text states that "...new or expanded facilities should not be needed." The PEIR must make clear whether new water facilities "will" or "will not be" needed, rather than use "should not be".
- 1.16 Pages 2-16 and -22: It is our understanding that Scotia is not "currently in compliance" with the discharge requirements of the NPDES, and is not in compliance with the existing Cease and Desist Order, WDR, and other RWQCB orders. Also, based on the setting information in the PEIR, substantial wastewater collection, treatment and disposal system improvements/upgrades are needed to service both existing conditions and the proposed project. The PEIR doesn't document that the RWQCB has ordered PALCO to find alternatives to both the existing summer percolation pond on an Eel River gravel bar (which is within the 100-year floodplain of the river) and to winter river discharges (e.g., has ordered PALCO to use land disposal instead of river discharge).
- 1.17 Page 2-17: The "...reuse located in the former Mill A facility." was not in the project description. If further reuse of Mill A would occur under the project, this needs to be documented in the project description, and the utility (water, wastewater, etc.) demand, public services demand, historical resources impacts, etc., of the reuse evaluated in the PEIR.
- 1.18 Page 2-19: Please document the existing used and unused capacity of the Scotia stormwater drainage system; quantify the increase in stormwater flows that could occur with development of

- 1.18 the vacant areas, lumber storage yards, and sedimentation pond; and include an evaluation of whether the existing stormwater drainage system is adequate to accommodate the increased flows, and if not, what improvements are required.
- 1.19 Page 2-19: Please identify the quantity of solid waste currently generated in Scotia, the landfill(s) that receives the waste, the existing used and unused permitted capacity of the landfill(s), and the projected shut down year of the landfill(s).
- 1.20 Page 2-20: The text states that 75% of the existing streets in Scotia will require repair. The repair of these streets must be included as a condition of approval of the Tentative Subdivision Map and CSD formation, and PALCO rather than the County must be responsible for funding these repairs since it is PALCO's subdivision map that is triggering the need to repair the streets. Furthermore, the repairs must be made prior to occupancy of any subdivided lots as required by State subdivision regulations.
- 1.21 Pages 2-22 through -24: Please provide a basis for the conclusions that the proposed project will result in "no impact" or a "less than significant" for water, wastewater and drainage facilities, and for landfill capacity. Utility and landfill demand will not remain the same under the project as contended in the analysis. The analysis does not quantify the increase in water demand, wastewater generation, stormwater runoff, or solid waste generation that would occur under the proposed project related to the increase in development that could occur in the existing residential areas with the development of second units, in the existing vacant and underutilized parcels in Scotia (e.g., log storage yards, sedimentation pond), and the redevelopment of the Mill A site. Please identify the existing used and unused capacity of the existing wastewater system, storm drainage system, or applicable landfill(s), the increase in water demand, wastewater generation, stormwater runoff, or solid waste generation under the proposed project, and evaluate whether the existing systems and landfills are adequate to accommodate the project.
- 1.22 Page 2-22: The text states that no new water or wastewater treatment facilities or expansion of existing facilities would result from the CSD and subdivision. This would not account for the upgrades and repairs to the Scotia WWTF as discussed throughout the PEIR. For example, page 2-34 states "The proposed repairs to the existing Scotia WWTF incorporate upgrades to minimize the risk of the facility's location within the 100-year floodplain, provide redundancy for major treatment processes, and increase the secondary treatment capacity." The proposed improvements also include replacement of all collection piping, land disposal of treated wastewater, and changes in the method and location of biosolids disposal. Please analyze the upgrades and repair impacts (e.g., biological, cultural, water quality, odors, utilities, etc.).
- 1.23 Section 2.5: Cultural Resources
Pages 2-29 and -30: Scotia was found to be eligible as a historic district, with 309 structures identified as "highly significant", and to represent "...the last company-owned town of its kind in California" and thus is of "...regional and statewide importance". If PALCO were really concerned about the historic integrity of the district as it contends multiple times in the PEIR and as included as Project Objective #6 (1-8), it would establish a historic district with the state as part of the proposed project. This is because, if subdivided, it would make it more difficult to establish the district (e.g., many property owners to deal with instead of a single owner).

- 1.24 Page 2-29: Please include National Register and California Register of Historical Resources eligibility evaluations required by CEQA for structures identified as contributing to the historic district (CEQA Guidelines §15064.5(a)(1) and criteria for listing under Pub. Res. Code §5024.1, Title 14 CCR, Section 4850 et seq.). Because the proposed subdivision could be the last discretionary action prior to any alteration or demolition of contributing structures, national and California historic register eligibility evaluations must be done as part of the PEIR. Eligibility evaluations now would: implement required mitigation in a comprehensive fashion and provide decision-makers and the public of information required to make an informed decision concerning the project (CEQA Guidelines §15002(a) and §15151).
- 1.25 Pages 2-34 and -35: The PEIR characterizes County Department of Public Works comments on the project as "recommendations". As the Lead Agency, these should be considered requirements rather than recommendations. The fact that PALCO does not propose to implement Public Works' requirements for street and utility improvements does not release PALCO from: (1) implementing these improvements as part of its Tentative Subdivision Map; (2) implementing all other infrastructure improvements (streets, sidewalks, curbs, gutters, ADA requirements, etc.) required by the State Subdivision Map Act, State and County building codes, etc.; and (3) evaluating the associated impacts to the integrity of the historical district in the PEIR. Furthermore, these improvements must be included in the conditions of approval for Subdivision Map and CSD formation.
- 1.26 Page 2-35: The PEIR states that "...ready access is already being meet..." in Scotia, but then Paragraph four argues that PALCO does not need to provide ready access citing the ADA's undue financial and administrative burden exception. Please explain. If ready access is already being met, this must be demonstrated (e.g., how many street corners have sidewalks, how many with wheel chair access vs. how many without, and does this proportion meet the ready access requirements). If ready access is not being met, any ADA section discussing exemptions does not apply since PALCO and not some future potential CSD is applying for a Subdivision Map.
- 1.27 Page 2-35: Both the County Department of Public Works and the state Subdivision Map Act require sidewalks. Account for the required number of sidewalks, rather than existing sidewalks.
- 1.28 Page 2-36: It must be made clear in Mitigation Measure 2.5.1a that approval of plans to alter or demolish contributing historic structure, and to approve new construction within the historic area identified in Figure A, lies with the Humboldt County Planning Commission or Planning Director and not with the Scotia Design Review Committee.
- 1.29 Page 2-38: Please revise Mitigation Measure 2.5.1f to "require" rather than "recommend" programs and incentives to maintain viability and stability of the historic life style of Scotia, outline the programs and incentives that it references, and require PALCO to fund these programs and incentives. Condition the project such that PALCO implement this until such time as the CSD is formed and able to take over the funding responsibility for these programs and incentives, to guarantee that the mitigation measure will be implemented.
- 1.30 Pages 2-36 through -38: Please provide national or California Register of Historical Resources eligibility evaluations for the structures contributing to the historic district, to determine the historic significance of the resources (CEQA Guidelines §15064.5(a)(1) and (b)(2)(A)), and to provide a basis for the conclusion in the PEIR that the mitigation measures will reduce the

historic resources impacts to less than significant levels.

- 1.31 Page 2-39: Mitigation Measure 2.5.2 must specify that a qualified archaeologist acceptable to and contracted with Humboldt County, and funded by PALCO, be present during subsurface earthwork activities where archeological resources may be found.
- 1.32 Page 2-39: Support the conclusion that the project would have no impact on unique paleontological resources. Without this the PEIR must assume that such resources exist, and must identify appropriate mitigation to identify and mitigate any such occurrence.
- 1.33 Section 2.6: Aesthetics
Pages 2-41 and -42: The PEIR contends that the project would not directly alter existing buildings, concludes no aesthetic impacts without any analysis, and is missing analysis of the consistency of the proposed changes with existing County aesthetics policies. The project will directly alter existing buildings (e.g., reuse of Mill A, upgrades to the existing WWTF, replacement of all water and sewer pipes in Scotia, development of curbs, gutters, sidewalks, street lights, etc.), permit the development of second units in the residential areas, and permit the development of industrial uses in existing vacant and underutilized industrial areas (log storage areas, sedimentation pond, etc.). Analysis must be provided that: (1) evaluates the visual and aesthetic impacts of this development; and (2) evaluates the consistency of the proposed changes and Design Guidelines with existing County visual and aesthetic policies.
- 1.34 Pages 2-41 and -42: No analysis is provided as to the visual impacts of the project on the Eel River which is a designated National Wild & Scenic River, or of the consistency of the project and proposed Design Guidelines with federal, state, and County wild and scenic river policies. Such analyses must be provided in the PEIR to adequately address the impact evaluation criteria.
- 1.35 Page 2-42: The PEIR concludes no significant light and glare impacts without any analysis. The proposed project would result in substantial new lighting in Scotia to comply with applicable Subdivision Map Act, County Department of Public Works, ADA, and other requirements for adequate street and building lighting. The proposed project would also result in the development of existing vacant and underutilized areas and the further reuse of Mill A which would result in additional lighting. This must be evaluated as must the consistency of the proposed Design Guidelines with existing County lighting policies and standards.
- 1.36 Section 2.7: Transportation and Traffic
Section 2.7: The text states that the traffic analysis assumes no new uses, structures, or associated traffic. The project will result in new development (see comments on pages xii, xiii, 1-2, 1-18, 2-12, 2-22, 2-24, 2-41, 2-42, etc.), and could displace Scotia employees who live on-site requiring them to commute to Scotia for work (see comments on pages vii, x, 2-9, 2-12, 2-19, 2-38, etc.). Both of these will generate additional traffic, air quality and noise impacts.
- 1.37 Section 2.7: The section does not identify the streets covered by the traffic analysis, the time horizon of the analysis, or the assumptions that went into future traffic volume projections on area streets and highways. This must be added to the section, including a list of cumulative projects included in the projections. Also, Humboldt County and the cities of Fortuna and Rio Dell are each in the process of updating their General Plans, and the traffic analysis must include these as cumulative projects (e.g., must project the traffic on area streets and highways in the

- 1.37 future based on the growth that could occur under these plans) (CEQA Guidelines §15130(b)(A), cont'd "A list of past, present, and probable future projects producing related or cumulative impacts").
- 1.38 Section 2.7: The analysis does not provide traffic volumes nor does it discuss what roadways are covered under the Caltrans and Humboldt County Public Works Department that "...attest to the fact there has been no significant change in traffic flow from 1973 to present". It does not provide the traffic volumes that would result at the Junction 283 intersection to Highway 101 or the traffic volumes at any other roadways or intersections under the proposed project. This information cannot be hidden away in an appendix if it exists at all. Graphics showing existing and future with and without project traffic volumes and LOS on area streets, highways and intersections must be added to Section 2.7 of the PEIR.
- 1.39 Section 3.1: Soils and Geologic Resources
Section 3.1: Section 3.1 does not disclose an un-named concealed fault that runs through Scotia in a southeast to northwest direction as indicated in the 1985 USGS 7.5-minute quadrangle covering Scotia. Should the fault be active, it would represent a potential fault rupture hazard to any development that may occur on or within close proximity of the fault, and would represent a significant impact not addressed in the PEIR. The PEIR must map the fault, evaluate whether or not the fault is active, and if it is, must designate a construction buffer around the fault and prohibit future development within the buffer.
- 1.40 Page 3-2: The text states that "The majority of land within Scotia is categorized as stable". According to the Humboldt County General Plan Update, Natural Resources & Hazards Report, Figure 10-4, Scotia is within and is surrounded by areas of "Moderate Instability". The project could have the potential to both generate instability and expose persons to moderate landslide risk, and must include mitigation to reduce this significant impact to less than significant levels.
- 1.41 Page 3-2: The text states that landscape-related damage would require a massive slide that would overtop Highway 101. Portions of Scotia lie east of Highway 101, in the direct path of a landslide, and even west of the Highway there are slopes subject to failure. Furthermore, PALCO owns the slopes above and east of Scotia and could clear out these slopes at any time, thus exacerbating the already significant landslide risk. This must be evaluated in the PEIR.
- 1.42 Page 3-4: The text states that the "Geologic hazards that have the potential to affect Scotia include: surface fault rupture, strong seismic shaking, landslides, and liquefaction and other secondary seismic effects". The PEIR says repeatedly that because the proposed project would not include new population and development, it would not expose additional population or development to these hazards. This is incorrect – the project could result in new population and development (see comments on pages vii, x, xii, xiii, 1-2, 1-18, 2-9, 2-12, 2-19, 2-22, 2-24, 2-38, 2-41, 2-42, etc.). The PEIR must evaluate the risk to this additional population and development posed by these geologic hazards, and identify required mitigation.
- 1.43 Page 3-4: Mitigation Measure 3.1.1 should apply to all new development in Scotia, not just to the three additional lots and two commercial lots referenced in the mitigation.
- 1.44 Section 3.2: Hydrology and Water Resources
Page 3-6: The text states that "The current water supply system is considered adequate to fulfill the demand on the system without necessary upgrading and the proposed CSD and subdivision

- 1.44 would not cause or create a substantial increase in the existing water demand for the Town of Scotia". Please provide source citation and analysis for this conclusion. The proposed project could result in new development and an increase in water demand (see comments on pages xii, xiii, 1-2, 1-18, 2-12, 2-22, 2-24, 2-41, 2-42, etc.).
- 1.45 Pages 3-11 and -12: Impacts 3.2.1, 3.2.3, 3.2.4 and 3.2.5 conclude that the project will not create runoff that exceeds the capacity of the drainage system, will not create substantial additional sources of polluted runoff, will not substantially degrade water quality, and will not expose persons to flood hazards, all based on the contention that the project will not change existing land uses. The project could result in substantial new development (see comments on pages xii, xiii, 1-2, 1-18, 2-12, 2-22, 2-24, 2-41, 2-42, etc.). Hence, the project will create substantial additional runoff and substantial additional sources of polluted runoff, and may substantially degrade water quality.
- 1.46 Page 3-11: Wastewater discharges are not currently in compliance with the existing NPDES permit, WDR, Cease and Desist Order, and other RWQCB orders because: (1) the existing WWTF and percolation pond are located within the 100-year floodplain of the Eel River; and (2) the WWTF continues to discharge treated wastewater to the Eel River despite RWQCB orders that it cease this discharge and instead discharge to land. PALCO is continuing to violate water quality standards and WDRs. Impact 3.2.1 is significant.
- 1.47 Page 3-11: Large areas of Scotia are not subject to NPDES stormwater permits and do not implement BMPs to reduce the amount of contaminants being discharged to the Eel River. A BMP program must be described in the PEIR for these areas and implemented to reduce existing contaminated discharges and prevent an increase in such discharges under the project. Implementation of the program must be included as a condition of approval of the Tentative Subdivision Map and CSD formation. Without this, urban runoff from Scotia will continue to pollute the river and will increase, and Scotia will continue to be out of compliance with County General Plan Update Policies (for example, Policy 1.3 which requires the use of BMPs for stormwater to minimize pollution from area sources).
- 1.48 Page 3.2.2: If PALCO is proposing to dispose of treated wastewater under the project by land disposing of treated wastewater as required by RWQCB, the groundwater quality impacts of this disposal must be evaluated. If PALCO is not including the planned land disposal of treated wastewater as part of the project, it is piecemealing the project because upgrades to the Scotia WWTF, stopping river discharges, and land disposing of the treated wastewater are all required by the RWQCB, required to serve the proposed subdivision, and fundamental to the CSD formation. See our comments on pages 2-16 and -22 for further discussion.
- 1.49 Section 3.3: Air Resources
Pages 3-15 through -17: Impacts 3.3.1 and 3.3.2 conclude that the project will not degrade air quality or contribute to violation of air quality standards because the project would not involve land use changes. The project could result in substantial new development (see comments above) and could result in the need for displaced workers to commute to Scotia (see comments on pages vii, x, 2-9, 2-12, 2-19, 2-38, etc.). Hence, the project could create substantial additional air emissions which may interfere with air quality objectives. This must be quantified, analyzed, and mitigated in the PEIR. Tables must be provided showing the quantity of each criteria air pollutant before and after project implementation.

- 1.50 Page 3-17: Impacts 3.3.2 and 3.3.3 conclude less than significant construction emissions after mitigation, but provide no analysis upon which to base this conclusion. AQMDs identify percentage air emission reductions associated with each type of emission reduction measure typically recommended by AQMDs. The PEIR must quantify project construction emissions before and after implementation of the measures identified under Mitigation Measure 3.3.1, and must show quantitatively how construction emissions will not exceed applicable standards
- 1.51 Page 3-17: The Scotia WWTF is located directly adjacent to one Scotia residential neighborhood and within close proximity of the other Scotia residential neighborhoods. Modifications will be made to the WWTF, WWTF operations, and biosolids disposal under the proposed project. The odor impacts of these changes must be evaluated in the PEIR.
- 1.52 Section 3.4: Hazards and Hazardous Materials
Page 3-18: The text references a Phase I ESA completed for PALCO, and Section 3.4 of the PEIR uses it as a basis for information, analysis, and determinations of significance. However, the Phase I ESA is neither included as an appendix to the PEIR nor incorporated by reference.
- 1.53 Page 3-18: The text says that a complete Phase I ESA was completed for the industrial facilities in Scotia but not for the residential areas. A Phase I ESA appears necessary for the residential areas of Scotia because half of the hazardous materials impact evaluation criteria listed on page 3-20 requires a determination of whether the project would expose persons to existing hazardous materials; and the Subdivision Map Act requires public disclosure of hazardous materials conditions whenever parcels are subdivided for sale. Please provide a map identifying the location of all hazardous materials/waste sites in Scotia, and site descriptions.
- 1.54 Page 3-18: With respect to the referenced random lead-based paint and asbestos surveys, the structures that were found to contain lead or asbestos must be identified in the PEIR. Also, what is meant by the problem "...has been dealt with appropriately"? Has lead and/or asbestos been removed? What structures does this comment apply to? Also, the surveys are not included as an appendix to the PEIR nor incorporated by reference.
- 1.55 Page 3-19: Figure 3-5 of the Humboldt County General Plan designates the forested hillsides of Scotia and the hillsides immediately east of Scotia as "Wildland Areas That May Contain Substantial Fire Risk. Please document and analyze this in the PEIR.
- 1.56 Page 3-21: Impact 3.4.3, states that the storage of chlorine gas in the WWTF and WTF is not within ¼ mile of Standwood A. Murphy Elementary. The WWTF is located approximately 650 feet (0.12 miles) from the school. Therefore, the proposed project, which would include modifications to the WWTF, could emit hazardous emissions within ¼ mile of a school.
- 1.57 Page 3-21: Please support the conclusion of a less than significant hazardous materials impact. The proposed project will include: (1) upgrades/improvements to the WWTF; (2) earthmoving activities at existing vacant and underutilized sites; and (3) earthwork associated with the replacement of existing water and sewer lines. Each of these could uncover/unearth existing hazardous materials, release these hazardous materials into the environment, and expose persons and the environment to hazardous materials. Furthermore, no maps or other information is

- 1.57 provided showing the location or status of existing hazardous materials/waste sites or buildings containing lead-based paint/asbestos, and thus it is impossible to assess the degree of the threat. An analysis of the potential hazardous materials impacts associated with each of the above activities is required in the PEIR, along with adequate background materials and maps to allow the decision makers to make an informed decision about the project.
- 1.58 Revise the Impact 3.4.4 statement that no sites included on the list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 occur in Scotia. According to a review of Phase I ESAs, there are at least five locations in Scotia on the list, several of which contain multiple sites. Examples include PALCO Wood Waste D (SWF/LF site), PALCO and Columbia Helicopters (125 and 121 Main St., , respectively, TRIS, HIST FTTS, FINDS, Cortese, LUST, CA SLIC, HIST UST, AST, SWEEPS, and WDS sites), and the Scotia Transfer Station (SWF/LF site).
- 1.59 Page 3-23: The portion of Scotia east of Hwy 101 includes and is directly adjacent to forested hillsides identified as a wildland fire threat, and the fact that this area is designated as industrial is irrelevant. Existing and future uses and persons at the site may be exposed to a significant risk involving wildland fires, a significant impact. Furthermore, there are countless examples of fire crossing highways, so the fact that most of Scotia is west of Hwy 101 does not preclude its exposure to wildland fires. Please document, evaluate, and mitigate if necessary.
- 1.60 Section 3.6: Noise
Section 3.6: The section must include maps showing existing and future with and without project noise contours, the table in the appendix showing noise levels at each monitoring location must be moved into the section, and a table showing the noise generated by typical construction equipment that may be involved in the roadway and utility line improvements must be provided.
- 1.61 Pages 3-28 and -9: The PEIR concludes that: (1) the proposed CSD and subdivision will not generate noise that exceeds local standards; and (2) will not include new sensitive receptors. It is the city's position that the project could result in substantial new development and could result in the need for displaced workers to commute to Scotia for work (see comments above). The project could generate substantial additional stationary and mobile source noise.
- 1.62 Also, the construction noise impacts of the project must be quantified, evaluated against County noise standards, and mitigated in the PEIR. This includes the construction noise to be generated by the proposed trenching and other construction activities required to replace the existing water, sewer, and storm pipes, repair the streets, and construct the sidewalks.
- 1.63 Page 3-28: The proposed project will include further reuse of Mill A and modifications to the Scotia WWTF. These are located directly adjacent to existing residential neighborhoods, and construction- and operation-related noise impacts on the adjacent residences must be evaluated.
- 1.64 Section 3.7: Biological Resources
Section 3.7: Under Impacts 3.7.1 through 3.7.6, the same logic is used for concluding no impact (e.g., the project does not proposed physical changes and thus would not result in biological impacts). The project could result in substantial new development (see comments above), and the project will adjust the Urban Limit Line "...to allow for reduced setbacks from streams...". Please discuss potential biological resources impacts due to Urban Limit Line adjustment.

- 1.65 Page 3-37: Impact 3.7.3 concludes that the project will not impact wetlands. Have impacts to the blue line streams with associated riparian areas bisecting Scotia, and the wetland at the existing mill pond that could be impacted by WWTF modifications been evaluated?
- 1.66 Page 3-37: Impact 3.7.5 concludes that the proposed project is consistent with the County's SMA policy without any analysis. Scotia is bisected by several blue line streams, each of which has associated with it an SMA buffer within which no development may occur. The Eel River also has an SMA buffer. Please provide a consistency analysis with the requirements associated with the SMAs, and address instances where development would occur in the SMAs.
- 1.67 Pages 3-37 and -8: While PALCO may be working to amend its HCP with respect to Scotia, the HCP is applicable to currently Scotia and the proposed project must comply with all the requirements of the HCP. Given this, and given that the proposed project will result in substantial development in Scotia (see comment on page 3-37 above), a consistency analysis is required under that demonstrates that the project is consistent with the HCP as contended.
- 1.68 Chapter 4: Alternatives
Page viii and Chapter 4: With respect to Alternative A, the PEIR states that city requirements for full frontage improvements that meet current ADA requirements would result in significant impacts to historical resources, adversely affecting eligibility for historic district status, and that these impacts would not occur under the project. As indicated on pages 1-15 and -16, the County is requiring compliance with state subdivision requirements, including the provision of street improvements, curb and gutter, compliance with ADA requirements, etc. The impacts attributed to Alternative A will also occur under the proposed project. This cannot be used as justification for selecting the project over Alternative A. Also, there is no analysis in the PEIR to support the contention that the development of frontage improvements would adversely affect eligibility for historic district status under Alternative A but not under the proposed project.
- 1.69 Pages viii and x, and Chapter 4: The PEIR does not indicate that the City of Rio Dell is currently in the process of updating its 2004 General Plan, and that part of the proposed General Plan Update is the inclusion of Scotia in the city's sphere and the addition of new General Plan land use designations to account for the land uses in Scotia. Failure to consider the Rio Dell General Plan Update as a project alternative is inconsistent with CEQA which requires analysis of "reasonable alternatives" that could achieve most of the basic objectives of the project (CEQA Guidelines §15126.6(a)). Please consider the General Plan Update a cumulative project in the cumulative analysis producing related or cumulative impacts (CEQA Guidelines §15130(b)(1)(A)).
- 1.70 Page xiii and Chapter 4: The PEIR indicates that upgrades would be required to the Scotia WWTF, and/or construction of a new WWTF would need to be constructed under Alternative A, but that these would not be required under the proposed project. The need for Scotia WWTF upgrades is a function of the existing Cease and Desist Order (#R1-2006-0073), existing NPDES permit (CA0006017), WDR order (#R1-2006-0020), and other applicable RWQCB orders, and would be required regardless of whether the proposed project or Alternative A were implemented (see pages 1-17 and -18 of the PEIR). Also, the City of Rio Dell does not have wastewater treatment standards different from the RWQCB, and additional improvements would not be required to the Scotia WWTF due to annexation by the city. The construction of a

- 1.70 centralized WWTF would not be required as a result of Scotia being annexed to the city (e.g., is
cont'd being considered as an alternative to serve Rio Dell in response to its own RWQCB Cease and Desist order, not Scotia, and may be developed regardless of whether Scotia is annexed to the city or not). The WWTF issue does not appear to justify selecting the proposed project over Alternative A.
- 1.71 Chapter 4: Please provide an alternatives comparison matrix that identifies whether impacts would be greater than, less than, or equal to the proposed project.
- 1.72 Page 4-2: Under the No Project Alternative, the text states that historically significant neighborhoods and buildings would not be protected by the 'D' combining zone, and that no legal means of preserving the integrity and value of historically significant residential neighborhoods and buildings would be available. PALCO's claim, throughout the PEIR, that no development would occur under the project, would also apply to the No Project Alternative.
- 1.73 Pages 4-3, 4-4 and 4-10: Under Alternative A, the fact that the Rio Dell WWTF is currently operating under a Cease and Desist Order is irrelevant because: (1) if Scotia were annexed to the city, Scotia would continue to be served by the Scotia WWTF; and (2) the Rio Dell WWTF is no different than the Scotia WWTF – both are operating under Cease and Desist Orders (the only difference being that Rio Dell has prepared and circulated a DEIR for proposed improvements to its WWTF required to bring it out from under the Order, while PALCO has not done the same for its own WWTF). A levee would need to be built around the Scotia WWTF under Alternative A and under the proposed project because it is within the 100-year floodplain.
- 1.74 The Rio Dell WWTF Cease and Desist Order only applies to the Rio Dell WWTF, so even if Scotia were annexed to the City, the Cease and Desist Order would not apply to the Scotia WWTF, and the Rio Dell Cease and Desist Order has nothing to do with building a levee around a WWTF (a levee acceptable to RWQCB already exists around the Rio Dell WWTF).
- 1.75 Page 4-4: It was the City's intent during the annexation negotiations that PALCO pay for the improvements. This issue should not be used as justification to reject Alternative A in favor of the proposed project.
- 1.76 Page 4-4: With respect to Alternative A, the text is incorrect in stating that by requiring the upgrading of all existing infrastructure in Scotia while existing Rio Dell infrastructure is not upgraded would result in Scotia subsidizing repair to Rio Dell infrastructure. The city is implementing ongoing upgrades to its own infrastructure system (for example, the Wildwood Avenue upgrades in 2007, the comprehensive upgrade to the city's water treatment and distribution system in 2006, and the pending WWTF upgrades).
- 1.77 Page 4-5: No analysis is provided to support the contention that the existing Scotia residents would be displaced under Alternative A but would not be displaced under the proposed project. The PEIR must either provide an economic analysis showing that this is the case, or delete this unsubstantiated claim. Also, as discussed in the comments on pages 4-3, 4-4 and 4-10, WWTF upgrades would be no more expensive under Alternative A than under the proposed project.
- 1.78 Pages 4-5 and 4-6: The contention that frontage improvements required under Alternative A would result in significant cultural resources impacts, while frontage improvements required

- 1.78 cont'd under the proposed project would not, should be supported by analysis.
- 1.79 Page 4-6: The contention that frontage improvements required under Alternative A would result in significant aesthetic impacts that would not occur under the proposed project (e.g., both projects would involve substantial frontage improvements) should be supported by analysis.
- 1.80 Page 4-6: As discussed in our comments on pages 4-3 and 4-4, upgrades to the Scotia WWTP would be the same under Alternative A and the proposed. There would be no difference in the amount of ground disturbance, trenching, excavation, filing, etc. Impacts to archaeological resources, noise, air quality, erosion, sedimentation, water quality, etc., would be the same between Alternative A and the proposed project. There would be no crossing of the Eel River with untreated wastewater. All this was added to this alternative to make it appear more impacting than the proposed project.
- 1.81 Page 4-9: The text states that the formation of a CSD and implementation of the subdivisions would not result in any changes, direct or indirect, to the community or natural environment. The project could result in new development, and the PEIR identifies instances where the project will result in potentially significant environmental impacts and proposes mitigation (examples: Impact 2.5.1 - substantial adverse change in the significance of historical resources, Impact 3.1.1 - impacts due to a seismic event, Impact 3.3.1 - Interfere with Air Quality Objectives). T.
- 1.82 Page 4-9: With respect to the paragraph describing the contended benefits of the proposed project, all these benefits and more would occur under Alternative A as well as the Rio Dell General Plan Update alternative. Please include these benefits under Alternative A.
- 1.83 Chapter 5: Other CEQA Considerations
Chapter 5: The PEIR concludes less than significant growth inducing and cumulative impacts. However, the residential neighborhoods would be subdivided and the existing residences converted from rental units to market rate units (and units subject to CSD assessments). This may displace existing PALCO residents who could create a significant demand for housing elsewhere. This could induce development of housing elsewhere and increase traffic by PALCO employees currently living on-site but having to travel greater distances to work if relocated. This could be growth inducing. If PALCO contends that existing Scotia residents will be able to afford the housing under the proposed project, this should be supported by an economic analysis.
- 1.84 Page xi and Chapter 5: Under "Long-term Benefits vs. Short-Term Gains", it is stated that "The project will likely result in a change in social fabric over time and this change will be significant and unavoidable". However, under "Effects Found Not To Be Significant", it is stated that "All potentially significant impacts have been mitigated to less than significant levels". In previous pages of the Executive Summary, it is also stated repeatedly that the above impact "...is not a change cognizable by CEQA". Please address this inconsistency.
- 1.85 Page xi and Chapter 5: Under "Long-term Benefits vs. Short-Term Gains", the PEIR states that formation of a CSD would be a "long-term benefit" to the residents of Scotia. However, wouldn't the creation of the CSD transfer from PALCO to the County or Scotia residents the costs for operating and upgrading the Scotia wastewater treatment plant (upgrading required in response to RWQCB orders to PALCO to upgrade treatment and land dispose rather than discharging to the river), upgrading severely outdated and inadequate utility and roadway

- 1.85 infrastructure, and providing services to Scotia? The CSD represents a short-term gain for
cont'd PALCO (e.g., divest PALCO of the economic burden of owning Scotia) but a long-term cost to
Scotia residents (and to the County if the subdivision map is approved but the CSD is not).
Please add measures for WWTF, utility, roadway and state required Subdivision Map Act
improvements as a condition of approval of the subdivision map and CSD formation.
- 1.86 Pages 5-1 and 5-2: With respect to growth inducing impacts, the proposed project would be
growth inducing because it could create a demand for housing elsewhere to accommodate Scotia
residents potentially displaced by the project, and allow for additional commercial and industrial
development in Scotia. Please evaluate the environmental impacts associated with these aspects
of the project along with the impacts associated with the growth that could occur under the
General Plan updates currently being prepared by Humboldt County and the cities of Fortuna and
Rio Dell. This should include analysis of cumulative traffic generated by the project, along with
these cumulative projects, on Hwy 101. The cumulative loss of wildlife habitat and listed
species, archaeological resources, and agricultural resources must be identified.
- 1.87 Page 5-2: The text indicates that Mill A is currently occupied by adaptive reuses, and that
adaptive reuse may be incorporated into existing industrial facilities in Scotia in the future. The
replacement of industrial uses in Scotia with commercial uses could create more employees, a
customer population that does not currently travel to Scotia, and associated traffic, and could also
create construction-related impacts due to retrofitting and alterations.

Thank you for the opportunity to comment.

Sincerely,



Nancy Flemming
City Manager

cc Humboldt LAFCo

DEPARTMENT OF FORESTRY AND FIRE PROTECTION

Humboldt – Del Norte Unit
118 Fortuna Blvd.
Fortuna, CA 95540
Website: www.fire.ca.gov
(707) 725-4413

Ref: 9000 Fire Prevention
Date: December 1, 2008

Kirk A. Girard, Director
Community Development Services Department
3015 H Street
Eureka, CA 95501

Project: PALCO, Scotia General Plan Amendment, Zone Reclass, and Final Map Subdivision
APN: 205-351-16, -18, -19
Area: Scotia
Attention: Michael Wheeler

Mr. Girard,

The California Department of Forestry and Fire Protection (CALFIRE) staff provides the following additional input on this project. We have reviewed the Draft Program Environmental Impact Report for the General Plan Amendment, Zone Reclassification, and Final Map Subdivision, Town of Scotia (State Clearinghouse No. 2007052042) dated January 2008.

CALFIRE, Humboldt – Del Norte Unit staff has found:

- 2.1 It appears there may be a conversion permit needed for the small area east of US 101 from TPZ to Public Recreation.
- 2.2 The project should not restrict access to timber.
- 2.3 The project proposes that the Scotia Volunteer Fire Department (SVFD), a wholly owned subsidiary of PALCO, would continue to function and be merged under the proposed Community Services District (CSD). Alternatively, a new fire district with a special benefit assessment would be formed. The SVFD is currently heavily dependant on trained PALCO employees serving as volunteers. The unique relationship of PALCO to the SVFD encourages participation. Upon the creation of a small CSD or fire district, the current relationship dissolves and brings into question the viability of the SVFD. The SVFD currently has a paid fire chief that coordinates regular and advanced training – primarily for sawmill emergencies. This level of service would likely deteriorate. With 271 Residential units, a 10% vacancy rate, and average household size of 2.38 (US Census 2006), the community residential population will be approximately 580. Given that 1% or fewer residents tend to volunteer in fire departments, it is expected that the SVFD roster would diminish to 6 members (from its current 30 members). A substantial commitment by the industrial activity, both financial and human resource, will be necessary for the SVFD to maintain its current level of service. Failure to require this commitment will produce a struggling emergency service situation, similar to that currently experienced with the Samoa Peninsula Fire Department.

CALFIRE suggests a third alternative –the SVFD merge into the Rio Dell Fire Protection District. The Rio Dell FPD is active and immediately adjacent. Both the Rio Dell and Scotia populations would realize benefits in emergency services from this arrangement. A greater Rio Dell / Scotia fire department would be better positioned to withstand the dynamics in budget and personnel. This alternative is discussed as a component of Alternative A. The Rio Dell FPD is larger than the City of Rio Dell and is a separate entity. Such a merger should be evaluated.

CALFIRE believes that a significant environmental impact to public services (Section 2.3) may occur unless mitigated. The Service Ratio may be reduced by a factor of five unless mitigated. Adequate mitigation may include, but not be limited to, recommendations included in this letter. The Humboldt County Fire Chief

Association and Rio Dell Fire Protection District should be consulted regarding impacts and mitigation from this proposed project.

THIS IS AN ELECTRONIC-MAIL DOCUMENT DELIVERED FROM HUGH SCANLON,
BATTALION CHIEF, FIRE PLANNING, REGARDING THE SUBJECT LISTED ABOVE. (CDF
Reference Code: 9000 Fire Safe)



February 25, 2008

Michael Wheeler
Humboldt County Planning
3015 H Street
Eureka, CA 95501

RE: Draft Environmental Impact Report for General Plan Amendment, Zone Reclassification, and Final Map Subdivision, Town of Scotia (State Clearinghouse No. 2007052042).

Mr. Wheeler,

Thank you for the opportunity to comment on the Draft Program Environmental Impact Report (EIR) for General Plan Amendment, Zone Reclassification, and Final Map Subdivision, Town of Scotia (State Clearinghouse No. 2007052042). The proposed project would include the subdivision of the town of Scotia into residential and commercial lots. The majority of the lots are already developed with residences and commercial uses. There are two commercial parcels and three residential parcels which would eventually be developed, as a result of the proposed project. Additionally, the project would create a Community Services District (CSD) and would result in the transfer of all of the services currently managed by Pacific Lumber Company (PALCO) to the Scotia CSD. The DEIR should fully consider the impacts of the project, including the development potential of the undeveloped lots and the required improvements necessary to support the project, as defined in the DEIR.

Humboldt Local Agency Formation Commission (LAFCo) has reviewed the DEIR and has several comments on the DEIR. Please address the following concerns.

- 3.1 **General Comments:** The Introduction and various sections of the DEIR indicate that the document will serve as a Program Environmental Impact Report (PEIR) for the project. However, many portions of the project are in their final discretionary stages, such as the Tentative Subdivision Map and CSD formation. The detail and specificity of the information available for these actions necessitates a project-level analysis. With no additional discretionary actions by the County, project-level analysis would not occur unless considered in this document. It is essential that this EIR be revised to include project-specific details of these actions, including the mandatory improvements to the water, wastewater, and drainage systems necessary to support CSD formation.

Page ii: The Introduction indicates that "The CSD would be administered by an elected board of directors, which would maintain the same duties and responsibilities as management under a city council."

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Arcata, CA 95518

administrator@humboldtlaftco.org
www.humboldtlaftco.org

- 3.2 The actual services provided by the CSD would be limited to those identified on the enabling legislation and formalized within the LAFCO application. The duties and responsibilities of the CSD will be limited and will not be equivalent to those of a city council. For clarification on the services to be included within the CSD, please refer to the application filed with Humboldt LAFCo.
- 3.3 **Page ix:** Environmentally Superior Alternative; this section indicates that this alternative is superior because it has less damage to the environment, and "meets the objectives of PALCO", however, Humboldt County is the lead agency for the proposed project. Project objectives should be identified as the County's objectives, not the objectives of PALCO. The alternatives section should be revised to reflect objectives of the County for the project, and the alternatives reviewed for meeting these objectives.
- 3.4 **Page xii and xiii:** The Draft EIR indicates that no impacts are expected from the project relative to land uses, public services, utilities, and traffic. This statement is factually incorrect as there are individual commercial, industrial, and residential lots being created by the project, each with the potential to affect these environmental topic areas. A program-level EIR must consider the potential impacts of development of such parcels. The analysis should include a full quantification of the maximum allowable development on these parcels, including the likely air quality, noise, land use, service, utility, and traffic impacts anticipated to occur from development and redevelopment on the site. This analysis must reflect the allowable densities and setbacks set forth by the General Plan and Zoning designations on the site.
- 3.5 **Introduction, Pages 1-16 through 1-20:** This section does not provide sufficient consideration of infrastructure improvements necessary to support the project. Consistent with the pending application for CSD formation with Humboldt LAFCo, formation of the CSD requires major improvements and upgrades to the existing systems for drainage, sewer, and water services. The details of these improvements are known and are essential for formation of the CSD and operation of the system to support the project. The DEIR needs to include a full listing of the improvements required, and evaluate these improvements for impacts to all environmental topics. At a minimum, this should include analysis of impacts to air quality, biology, geology, hydrology, noise, utilities, public services, and traffic.
- 3.6 **Section 2.3 Public Services:** This section should include a discussion of call volumes and response times for both police and fire protection. Additionally, the section covering fire protection should include a discussion of water pressure. This information is available and necessary to make a reasoned conclusion regarding the adequacy of services.
- 3.7 The full listing of public services to be provided by the CSD is included within current application materials at LAFCo, and is available to the County. Specifically, the information is included within the Municipal Service Review and Plan for Services submitted to LAFCo as part of the CSD formation application. All improvements necessary to serve the project are required to be included and considered within the DEIR, and must be evaluated for their impacts to the environment.

3.8 The DEIR analysis must also be revised to reflect the potential increases in service demands associated with buildout of the project. With vacant lots included within the subdivision, there is substantial opportunity for increased demand on public services. The specific demand must be quantified and analyzed within this section.

3.9 **Section 2.4 Utilities and Services:** In addition, the DEIR makes numerous references to the lack of certainty regarding the services to be provided by the Scotia CSD, and provides no information on the improvements to the water, wastewater, drainage, and other systems necessary to serve the project. While the land uses are developed, transfer of these utility systems to a public entity such as the Scotia CSD will require numerous upgrades and improvements.

Specific statements within this section of the DEIR do not reflect the requirements necessary to adequately serve the residents of the proposed project. These are documented below.

3.10 The DEIR indicates that the project should not require improvements to the water system. This is factually incorrect. Improvements needed within the water system are documented in the Municipal Service Review at LAFCo. Improvements include replacement of water distribution lines, installation of water meters, relocated lines, combination of potable/fire suppression water systems, seismic upgrades to the Water Treatment Facility, and installation of turbidity meters. Each of these actions is necessary as part of the project description, and must be analyzed in full detail.

3.11 Improvements to the wastewater system are also needed to serve the project, and must be documented and analyzed within the EIR. Improvements needed within the wastewater system are documented in the Municipal Service Review at LAFCo. The Municipal Service Review for the CSD formation indicates that "a majority of the [wastewater] system needs to be replaced." Improvements necessary to serve the proposed EIR project description include: relocation of the entire collection system to align with rights-of-way, replacement of all service laterals, new manholes and cleanouts, lining of Mill A and B lines, and treatment plant improvements. Each of these actions is necessary as part of the project description, and must be analyzed in full detail.

3.12 Improvements to the storm drainage system are also needed to serve the project, and must be documented and analyzed within the EIR. Improvements needed within the storm drainage system are documented in the Municipal Service Review at LAFCo. Improvements necessary to serve the proposed EIR project description include: replacement of storm drainage lines and pipes, installation of new drain inlets and manholes, and repair of existing inlets and manholes on industrial properties within the project area. Each of these actions is necessary as part of the project description, and must be analyzed in full detail.

3.13 **Transportation:** No impacts to transportation or roadways are identified resulting from improvements and realignments of public facilities. Please refer to the Town of Scotia Community Service District Municipal Service Review (November 2007), Section 3.4: Circulation for a discussion of impacts to roadway systems anticipated by the proposed CSD formation. Please include a discussion of impacts and planned improvements to the roadway



system that would result from the improvements required to the utility and service systems within Scotia, resulting from the proposed project.

- 3.14 **Alternatives:** The No Project Alternative is identified as having no environmental impacts to service provision or impacts resulting from service and utility system upgrades. Additionally, Alternative B - Homeowners Association and Private Utilities is identified as having no impacts related to service provision, or impacts resulting from service and utility system upgrades.

Under both of these alternatives, no impacts related to service or utility systems are identified. However, the utility service system upgrades that are anticipated with the proposed project would also be required under this alternative. These improvements are analyzed in detail in the Town of Scotia Community Service District Municipal Service Review (November 2007) and are summarized above under Utilities comments. Improvements to service systems and utilities within the town of Scotia are anticipated under both of these alternatives. The impacts associated with these improvements must be identified and discussed within the analysis of both the No Project Alternative and Alternative B - Homeowners Association and Private Utilities.

- 3.15 Additionally, the alternative considering annexation to the City of Rio Del must provide detailed information regarding the proposed differences in improvements and service levels from the proposed project. The current analysis does not sufficiently identify improvements required by the City, nor does it make either a qualitative or quantitative evaluation of the differences of such standards. Revise the EIR to reflect this information, all of which is readily available through public sources (Humboldt County, Humboldt LAFCo, and City of Rio Del).

LAFCo thanks you for the opportunity to comment on this EIR, and requests adequate consideration and review time for the revised Draft EIR and Final EIR, as they are made available. Please ensure LAFCo receives at least three copies of all reports, and that the accompanying notice clarifies the review periods in which responsible and trustee public agencies may comment.

Sincerely,

A handwritten signature in dark ink, appearing to read "Daniel Hamilton".

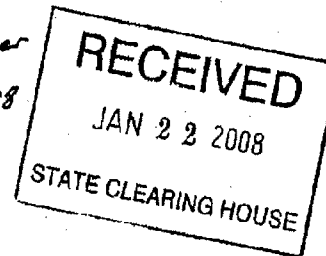
Daniel Hamilton, AICP
Executive Officer, Humboldt LAFCo

NATIVE AMERICAN HERITAGE COMMISSION

915 CAPITOL MALL, ROOM 364
SACRAMENTO, CA 95814
(916) 653-4082
(916) 657-5390 - Fax



January 15, 2008

Clear
2-25-08
C

Michael Wheeler
Humboldt County Dept of Community Development Services
3015 H Street
Eureka, CA 95501

RE: SCH#2007052042 Pacific Lumber Company, Scotia General Plan Amendment; Humboldt County.

Dear Mr. Wheeler:

The Native American Heritage Commission (NAHC) has reviewed the Notice of Completion (NOC) referenced above. The California Environmental Quality Act (CEQA) states that any project that causes a substantial adverse change in the significance of an historical resource, which includes archeological resources, is a significant effect requiring the preparation of an EIR (CEQA Guidelines 15064(b)). To comply with this provision the lead agency is required to assess whether the project will have an adverse impact on historical resources within the area of project effect (APE), and if so to mitigate that effect. To adequately assess and mitigate project-related impacts to archaeological resources, the NAHC recommends the following actions:

- 4.1
- Contact the appropriate Information Center for a record search to determine:
 - If a part or all of the area of project effect (APE) has been previously surveyed for cultural resources. **Completed prior to 01/15/08.**
 - If any known cultural resources have already been recorded on or adjacent to the APE.
 - If the probability is low, moderate, or high that cultural resources are located in the APE.
 - If a survey is required to determine whether previously unrecorded cultural resources are present.
 - ✓ If an archaeological inventory survey is required, the final stage is the preparation of a professional report detailing the findings and recommendations of the records search and field survey.
 - The final report containing site forms, site significance, and mitigation measures should be submitted immediately to the planning department. All information regarding site locations, Native American human remains, and associated funerary objects should be in a separate confidential addendum, and not be made available for public disclosure.
 - The final written report should be submitted within 3 months after work has been completed to the appropriate regional archaeological Information Center.
 - ✓ Contact the Native American Heritage Commission for:
 - A Sacred Lands File Check. **Check Completed with negative results. 01/15/08.**
 - A list of appropriate Native American Contacts for consultation concerning the project site and to assist in the mitigation measures. **Native American Contact List Attached**

The NAHC makes no recommendation or preference of a single individual, or group over another. This list should provide a starting place in locating areas of potential adverse impact within the proposed project area. I suggest you contact all of those indicated, if they cannot supply information, they might recommend other with specific knowledge. If a response has not been received within two weeks of notification, the Commission requests that you follow-up with a telephone call to ensure that the project information has been received. If you receive notification of change of addresses and phone numbers from any these individuals or groups, please notify me. With your assistance we are able to assure that our lists contain current information.

Lack of surface evidence of archeological resources does not preclude their subsurface existence. Lead agencies should include in their mitigation plan:

- Provisions for the identification and evaluation of accidentally discovered archeological resources, per CEQA Guidelines §15064.5(f).
- Provisions for monitoring all ground-disturbing activities in areas of identified archaeological sensitivity by a archaeologist meeting the professional qualifications as defined in the in the *Secretary of the Interior's Standards and Guidelines* for archaeology and a culturally affiliated Native American monitor.

- Provisions for the curation of recovered artifacts, per CEQA Guidelines 15126.4(5)(b)(3)(C), in consultation with culturally affiliated Native Americans.
- Provisions for discovery of Native American human remains. Health and Safety Code §7050.5, CEQA Guidelines §15064.5(e), and Public Resources Code §5097.98 mandates the process to be followed in the event of an accidental discovery of any human remains in a location other than a dedicated cemetery.

Sincerely,


A handwritten signature in black ink that reads "Katy Sanchez". The signature is written in a cursive, flowing style.

Katy Sanchez
Program Analyst
(916) 653-4040

CC: State Clearinghouse

MEMO
HUMBOLDT COUNTY
DEPARTMENT OF PUBLIC WORKS
LAND USE DIVISION

TO: Michael Wheeler, Senior Planner

FROM: Robert W. Bronkall, Associate Civil Engineer 

DATE: January 16, 2009

RE: **ADMINISTRATIVE FINAL PROGRAM ENVIRONMENTAL
IMPACT REPORT FOR TOWN OF SCOTIA, APN 205-351-016,-018,-019
GPA-05-01/ZR-05-01/FMS-05-01/PDP-05-01**

The Department has reviewed the Administrative Final Program Environmental Impact Report prepared by SHN Consulting Engineers and geologists dated December, 2008.

The Department offers the following comments

#	Section & Page	Comments
1	Page vi 3rd Paragraph	The Department supports including upgrading pedestrians facilities as part of the project. ADA compliance must be required as part of the project.
2	Page vi 4th paragraph	<p>It has not been shown that providing ADA compliant pedestrian facilities for this project will create a significant environmental impact to the historic resources. ADA compliance is required for all facilities, regardless of historical context.</p> <p>Typically, the Department uses Caltrans standard plans for curb ramp standards. However, Caltrans standard plans "one size fits all" approach may not work for Scotia. The Department is willing to consider alternative designs, provided that they comply with ADA.</p>
3	Page vi 5th paragraph	<p>"The Draft PEIR concluded that ready access is already being met". This is incorrect. None of the sidewalks and curb ramps are compliant with current ADA standards.</p> <p>"Existing curb ramps are in place." This is incorrect. There are some existing curb ramps. None are ADA complaint.</p>

#	Section & Page	Comments
4	Page vi 6th paragraph	<p>“Full frontage improvements would adversely affect the streetscape and substantially change the overall aesthetic character of the town.” The Department disagrees. Construction techniques can be used to ensure that re-construction (and new construction) is compatible with historic areas.</p> <p>Examples include, but are not limited to: stained concrete; concrete score lines to reflect historical patterns; relocation of existing fences (or reconstruction of fences to match existing); stained and stamped concrete to replicate wood (or other materials).</p>
5	Page 2-10 8th paragraph Comment 1.18	<p>Informational Note: The Department has recommended that Applicant must submit a complete hydraulic report and drainage plan regarding the subdivision for review and approval by this Department. This may require the construction of drainage facilities on-site and/or off-site in a manner and location approved by this Department. The drainage report shall show the hydraulic grade line of the storm drain system to pass a Q₁₀₀ storm. Positive field location (X, Y, and Z coordinates) of the storm drain will be required to perform the drainage study. Z coordinates shall contain flowline elevations of conduits as well as “top of grate”, “top of manhole”, etc. elevations.</p>
6	Page 2-13 5th paragraph Comment 1.25	<p>This paragraph is in error. The following codes support the Department’s recommendations for roadway (and pedestrian) improvements:</p> <p>County Code:</p> <p><i>324-1 (b) Any road, or part thereof, lying within the subdivision shall be constructed to the standards in the appendix to this division.</i></p> <p><i>324-1 (c) In addition, off-site improvements may be required. The Director of Public Works shall require such off-site improvements as he finds necessary for:</i></p> <ul style="list-style-type: none"> <i>(1) The orderly and planned improvement of off-site roads to the standards specified in the appendix to this division, within a reasonable time, considering the probable future growth in the area.</i> <i>(2) The safe and orderly movement of persons and vehicles; and</i> <i>(3) Providing roads which can be maintained at a reasonable cost.</i> <p>General Plan, Framework, Volume 1:</p> <p><i>4231 (8) (d) Encourage the development of a road system that supports an orderly pattern of land use through improving roads to accommodate land uses served by an inappropriate road classification.</i></p> <p><i>4237 (9) All circulation planning shall be based upon the County’s very limited ability to construct new projects. To the maximum extent feasible, necessary circulation routes and facilities shall be obtained as a condition of approval for land development projects.</i></p>

#	Section & Page	Comments
		<p>4231 (6) <i>Humboldt County recognizes that the era of abundant and inexpensive energy has ended. Energy considerations must become a critical element in all policy decisions involving the selection and use of transportation systems.</i></p> <p>Also see Item 4 above.</p>
7	Page 2-14 1st and 2nd paragraph Comment 1.26	<p>These paragraphs are in error. The existing pedestrian facilities are not ADA compliant (lack of curb ramps; and substandard sidewalk widths) and must be improved to be ADA compliant to be considered an accessible route. Therefore, these facilities must be upgraded to meet ADA standards based upon County Code Sections 324-1 (b) and 324-1 (c).</p> <p>Also see Item 4 above.</p>
8	Page 2-36 3rd paragraph Comment 3.5	<p>See Item 5 above.</p>
9	Page 2-39 1st paragraph Comment 3.13	<p>This item does not address curb ramps and sidewalk improvements.</p>
10	Page 4-3 Last paragraph Section 2.4.2	<p>Item 6 of Section 4231 Roads Volume 1, supports the need for adequate sidewalk system which promotes walking, which in turn reduces the need for automobile transportation.</p>

// END //