



## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX 75 Hawthorne Street San Francisco, CA 94105

December 11, 2012

Mr. Stephen James Land Surveyor Apache-Sitgreaves National Forests 30 South Chiricahua Drive P.O. Box 640 Springerville, Arizona 85938

Subject: Draft Environmental Impact Statement for Show Low South Land Exchange, Arizona (CEQ# 20120348)

Dear Mr. James:

The U.S. Environmental Protection Agency has reviewed the Draft Environmental Impact Statement for the Show Low South Land Exchange pursuant to the National Environmental Policy Act, Council on Environmental Quality regulations (40 CFR Parts 1500-1508), and Section 309 of the Clean Air Act.

The EPA supports the rationale provided by the Forest Service for the proposed Show Low South Land Exchange. The Forest Service would receive a net gain of 530 acres in this exchange, and would be trading undesirable federally owned parcels for private lands containing critical species habitat and perennial waters.

Based on our review of the DEIS, we have rated the proposed action and the document as LO-1, Lack of Objections – Adequate (see enclosed EPA Rating Definitions). The EPA acknowledges the desire to consolidate federal land holdings and obtain privately owned parcels within Forest Service boundaries--particularly parcels, as is proposed in this exchange, that contain habitat for federally listed and protected species and valuable perennial waters, including more than 110 acres of wetlands.

Though supportive of this exchange and the valuable lands that would be brought under Forest Service stewardship if it is completed, we recommend the FEIS include additional information on the lands that would be conveyed to SL Land Exchange, LLC, particularly the 70-acre parcel that would be transferred to the City of Show Low to expand its wastewater treatment facility, and the 948-acre Show Low South Parcel targeted for a low-density residential and mixed-use development. We recommend that the Forest Service provide additional information in the FEIS on the potential impacts, including potential effects on sensitive species, wetlands, and traffic, associated with development of the proposed wastewater treatment facility and residential development. We also ask that the Forest Service describe in the FEIS the potential for the proposed action, particularly the planned expansion of the Show Low wastewater treatment facility, to induce growth.

Please note that, as of October 1, 2012, EPA Headquarters no longer accepts paper copies or CDs of EISs for official filing purposes. Submissions must be made through the EPA's new electronic EIS submittal tool: *e-NEPA*. To begin using *e-NEPA*, you must first register with the EPA's electronic reporting site - <u>https://cdx.epa.gov/epa\_home.asp</u>. Electronic submission does not change requirements for distribution of EISs for public review and comment, and lead agencies should still provide one hard

copy of each Draft and Final EIS released for public circulation to the EPA Region 9 office in San Francisco (Mail Code: CED-2).

We appreciate the opportunity to review this DEIS, and are available to discuss our comments. If you have any questions, please contact me at 415-972-3521, or contact Jason Gerdes, the lead reviewer for this project. Jason can be reached at 415-947-4221 or gerdes.jason@epa.gov.

Sincerely,

/s/

Kathleen Martyn Goforth, Manager Environmental Review Office

Enclosure: Summary of the EPA Rating System