

Executive Summary

Project Description

The Confederated Tribes of the Umatilla Indian Reservation (CTUIR) propose to develop, build and manage a light industrial and commercial business park known as the Coyote Business Park. The proposed Coyote Business Park would be located on a 520 (+/-) acre site south of Interstate 84 at Exit 216 and west of South Market Road, approximately seven miles east of Pendleton, Oregon on the Umatilla Indian Reservation.

The initial planned development phase of the site would include construction of the domestic water service, sanitary sewer service, fire protection, storm water drainage systems, telecommunications, electric utility service, natural gas, and access roads. The CTUIR proposes to lease lots in the Coyote Business Park to light industrial and commercial businesses.

The United States Government owes a trust obligation to Indian Tribes. This trust obligation doctrine imposes fiduciary standards on the conduct of the federal government. The Secretary of Interior, through delegation of authority to the Bureau of Indian Affairs (BIA) must protect and preserve Indian trust assets from loss, damage, unlawful alienation, waste, and depletion. The BIA also must assure that any management of Indian trust assets that the Secretary of Interior has an obligation to undertake promotes the interest of the beneficial owner and supports to the extent it is consistent with the government's trust responsibility the beneficial owner's intended use of the property.

This Environmental Impact Statement (EIS) would be used to assist CTUIR in determining whether or not to proceed with the business park and to determine the size of the business park if built.

Decision to be made

BIA

The Superintendent of the BIA, Umatilla Agency, has the authority to review and approve any leases of Tribal trust land. The BIA would consider the following options in making a decision regarding the proposed project:

- a. Do not approve development on the subject property or lease(s) for proposed business operations (no action);
- b. Approve a specific acreage of development on the subject property and approve lease(s) for proposed business operations; or

- c. Approve a specific acreage of development on the subject property with specific management constraints and mitigation measures and leases for proposed business operations.

Although the BIA has the authority to review and approve any leases of Trust land, they do not typically initiate lease discussions with potential lessees. The CTUIR Board of Trustees (BOT) has the authority to enter into contracts on behalf of the Tribes. Prior to any lease being forwarded to the BIA for consideration, the BOT would consider the merits of the proposed lease and make a decision whether to enter into a lease agreement or not. Considerations in this decision include consistency with Tribal law, policy, and goals. The BOT has established that economic development is a priority for the Coyote Business Park, but has also committed to uphold the laws of the CTUIR. These laws regulate the development of the Coyote Business Park as noted above.

Bonneville Power Administration (BPA)

The Bonneville Power Administration (BPA) would make the decision whether or not to upgrade the support structures for that component of the 230 kilovolt (kv) power line that crosses the proposed project site.

Purpose of Project

The CTUIR has a responsibility to provide for the needs of CTUIR members through the development of a strong Umatilla Indian Reservation economy.

Although new jobs and enterprises created in the past decade have brought more stability to the Reservation economy, the CTUIR depends on two primary economic sectors for jobs and revenues: tourism and government.

In the 1996 Comprehensive Plan, the CTUIR established the economic development goal of improving and diversifying the overall economy of the Umatilla Indian Reservation while respecting traditional cultural values. Specific objectives for achieving this goal included the acquisition and development of suitable lands for commercial and industrial uses.

In a deliberate effort to assert sovereignty and actively manage the rate and type of economic growth on the Reservation, the CTUIR established a goal of controlling growth at the intersection of Interstate 84 and Highway 331. In 1997, the CTUIR purchased over 700 acres of land at the intersection of Interstate 84 and Highway 331 (Exit 216) with the intention of providing a location for business development on the Reservation.

Project Description

The first phase of the proposed development would be construction of infrastructure for the Coyote Business Park including extension of domestic

water, drainfields or sanitary sewer, stormwater drainage, roads, and utilities (infrastructure) to the proposed lots. This phase would also involve the replacement of power support structures on the high-voltage BPA line that crosses the site. Phase I would occur once financing was secured, in 2006 or later. Specific details vary with each action Alternative and are summarized below and presented in detail in Chapter 2.

The second phase of the proposed action would be to construct and operate business facilities on the lots. The proposals for numbers of lots and lot sizes are presented in detail in Chapter 2. The second phase would likely be constructed and financed by the individual business owners over a period of time, although CTUIR could also construct the business facilities and lease them to private operators. This phase could occur concurrently with Phase I. Anticipated light industrial operations would include warehousing, distribution, and assembly of previously manufactured components (for a specific list of permitted or allowed uses see Appendix A).

Description of Alternatives

Five alternatives, including no action, were developed in order to allow the BIA, BPA, and CTUIR to understand the potential environmental impacts from a range of project sizes and types. These alternatives are described briefly below and in more detail in Chapter 2. The Preferred Alternative has been identified as Alternative E.

Alternative A (No Action)

Under Alternative A (Figure 2-1) the CTUIR would not provide water, sewer or utility service to the site and would not seek industrial or commercial tenant(s) for the site. The current land management situation as described below would continue.

No new employment would be generated as a result of ongoing agricultural activities at the proposed project site.

Action Common to Alternatives B, C, D, E

As a condition of the lease, employers would be required to enter into a "First Source Hiring Agreement" with the CTUIR Tribal Employment Rights Office to consider enrolled members of a federally recognized tribe for employing and to hire any qualified CTUIR enrolled members prior to consider other candidates for any jobs created as a result of locating in the Coyote Business Park. The CTUIR Personnel Department would work closely with prospective employers to tailor workforce training programs to meet employer needs.

All surface water would be retained in retention ponds, either on site or in a “regional” pond, and would be prevented from reaching Patawa Creek.

A new entrance road to Coyote Business Park would provide access from South Market Road. Thirteen hundred and twenty (1,320) feet of South Market Road (distance from new entrance point to Interstate 84) would be improved to industrial standards. A new, dedicated right turn lane on South Market Road would be constructed for traffic turning into the business park. ***These improvements to Highway 331 would be phased in under as funding permits. The existing ODOT gravel shed access road would remain in place***

CTUIR would establish and maintain a Riparian Management Zone in that section of Patawa Creek that would otherwise be included within the area affected by the project (for more detail, see Appendix B).

Landscaping would be planted within an area approximately 30’ wide along the eastern and southern edges of the proposed business park, adjacent to South Market Road and Tutuilla Church Road. This area would be irrigated and planted to create an attractive visual buffer area around the proposed business park.

Operations at the ODOT gravel shed and CTUIR Tribal Environmental Recovery Facility (transfer station) would continue under all of the action alternatives. Under all action alternatives, farming would continue on those portions of the parcel not directly affected by construction activities.

Alternative B (21 Acres)

A total of twenty-one acres would be leased in three lots for the purpose of construction and operation of “light industrial” businesses as described in 2.2.2. Three businesses would conduct operations in buildings of an estimated 15,000 square foot average size.

The proposed water system would be a single well providing service to businesses within the proposed 21-acre development area.

Fire protection would be provided by rural fire protection (tanker trucks).

Each business would be served by on-site septic systems, such as septic tanks and drainfields, constructed at lessee expense.

The Riparian Management Zone would extend 150’ from Patawa Creek for a length of approximately 400 feet, for a total area of approximately 1.4 acres.

Approximately 45 additional permanent jobs would be created under Alternative B.

Estimated cost of this alternative would be approximately \$900,000, which would be financed by lease revenues and by available tribal, state and federal investment.

Alternative C (58 Acres)

Proposed use for the property would be the development of approximately fifty-eight (58) acres for a light industrial uses as described in Section 2.2.2. Under this proposal, four lots ranging in size from seven to thirty seven and a half acres would be developed and made available for lease. The proposed building plan includes an “anchor tenant” that would be a warehouse or light assembly facility of up to four hundred thousand (400,000) square feet in size on a thirty seven (37) acre parcel. The other three lots would likely be leased to smaller business facilities in the 15,000-50,000 square foot range.

If required by the lessee, an on-site refueling and light mechanical repair station with gas tanks could be constructed adjacent to the warehouse facility.

Under Alternative C, tenants would connect to a community water system extension that would convey water from the CTUIR water system north of Interstate 84.

The proposed sanitary sewer system would be handled by on-site disposal (septic and drainfield) just as in Alternative B.

~~The existing access to South Market Road serving the CTUIR waste transfer station and ODOT sand shed would be eliminated and all traffic related to both facilities should be rerouted to the proposed site access driveway to South Market Lane via an internal connection within the proposed business park. A new bridge across Patawa Creek would be constructed in compliance with all applicable Federal and tribal laws.~~

Construction of the larger warehouse/light industrial operation proposed under Alternative C would trigger CTUIR-financed construction of an additional regional storm water collection and retention system for the larger area.

The existing BPA lines that cross the site are currently supported by twelve wooden “H-Frame” structures. The BPA lines are approximately 60’ high. Guy wires on the corner pole anchor the line as it makes an angle change crossing the site. These supports would be replaced by 7-9 single steel pole suspension structures that would increase the clearance

between the power lines and the ground from 60 feet to approximately 110 feet.

The Riparian Management Zone would extend between 112'-225' from Patawa Creek, for a total area of approximately 29 acres (including land north and south of Patawa Creek).

Approximately 160 additional permanent jobs would be created under Alternative C.

The estimated cost of this alternative would be \$2,360,000, which would be financed by lease revenues and by available tribal, state, and federal investment.

Alternative D (58 acres)

All elements would be the same as under Alternative C, with the exception of the following:

Under this alternative, CTUIR would construct a collection system with lift stations to pump wastewater to the existing trunk line that runs to the City of Pendleton's wastewater treatment system. This collection system would have the capacity to provide service to more employees than the septic and drainfield system proposed under Alternative C. Estimated employment under Alternative D would be 275 employees.

The estimated cost of Alternative D would be \$3,160,000, which would be financed by lease revenues and by available tribal, state, and federal investment.

Alternative E (142 acres)

The size of the developed area would be a total of 142 acres. The proposed use for the property includes all of the light industrial and warehousing uses described in action Alternatives B, C and D as well as development of approximately sixty-three (63) additional acres.

Under this proposal, 13 lots ranging in size from 6 to 39 acres would be developed and made available for lease.

Building size would be projected to range from 15,000 square feet to up to 400,000 square feet for a distribution warehouse type operation as an anchor tenant. A distribution warehouse or similar operation would potentially also construct a bulk fueling station.

Under Alternative E, tenants would connect to a community water system extension that would convey water from the Tribal water system north of Interstate 84.

Approximately 546 additional permanent jobs would be created under Alternative E.

Under Alternative E, CTUIR would construct a collection system with lift stations to pump wastewater to the existing trunk line that runs to the City of Pendleton's wastewater treatment system, just as in Alternative D.

The proposed surface water drainage and retention system would be the same as in Alternatives C and D, although it would accommodate the larger development of 142 acres.

The estimated cost of Alternative E would be \$4,440,000, which would be financed by lease revenues and by available tribal, state, and federal investment.

Summary of Impacts by Resource

Land Use

Alternative A would retain the proposed project site in agricultural use. This use is not consistent with the zoning (Industrial Development) or the land use plan for the area (CTUIR Mission Community Plan.)

An industrial area would be created by Alternatives B, C, D and E in what is now predominantly an agricultural and rural residential area. Industrial use of the site is consistent with the zoning and land use plan for the area.

Alternative C, D, and E could facilitate the development of commercial enterprises on land owned by CTUIR north of Interstate 84 and west of Arrowhead Travel Plaza. This commercial development would be consistent with all of the above-mentioned plans and would be facilitated by the construction of water and (in the case of Alternative D and E) sanitary sewer lines through the potential commercial property en route to serving the industrial area.

Alternatives C, D and E would effectively concentrate all or nearly all business development proposed for the Reservation into a single parcel of land owned by the CTUIR. The result would be a more focused and controlled pattern of business growth on the Reservation than would be likely under Alternative B (with its limited capacity for growth) or the no-action alternative.

Water Resources

Alternative A would result in continuing impacts to Patawa Creek from ongoing agricultural use of the site.

Under Alternatives B, C, D, and E, there would be potential positive effects to Patawa Creek through the proposed creation of a Riparian Management Zone (see Appendix B for more detail) that would reduce erosion and sedimentation and reestablish native vegetation along the Creek.

~~Potential negative effects from the bridge and utility crossing of Patawa Creek proposed under Alternatives C, and D would be mitigated by proper bridge design and best management practices during construction.~~

The overall impact on water quality and beneficial uses in Patawa Creek would likely be positive due to the creation of the Riparian Management Zone.

Biological Resources

Under Alternative A, impacts to adjacent wetland and riverine habitats from annual tillage and associated agricultural runoff would continue at the current rates. Existing levels of noxious weed infestations would likely remain the same or increase. There would be no impact on animal species identified on the site.

There is habitat for Chinook Salmon and threatened Middle Columbia River Steelhead downstream of the proposed project site. Alternatives B, C, D and E “may affect,” but are “not likely to adversely affect” these species.

Under Alternatives B, C, D and E, ground disturbance during construction would create habitat for invading weeds. Ongoing operations may also create an opportunity for weeds to invade. This impact would be mitigated by CTUIR implementation of a Noxious Weed Control Program throughout both the construction and operational stages of the proposal.

Air Quality

Under Alternative A, air emissions at the proposed project site would be similar in nature and degree to emissions from other dryland agricultural parcels on the Umatilla Indian Reservation and throughout Umatilla County.

Alternatives B, C, D and E would result in increased air emissions from the site, primarily PM₁₀ (dust), Carbon monoxide (CO), Nitrous oxide, and

volatile organic carbons and hydrocarbons. These emissions would come from operations of the proposed fueling operation proposed under Alternatives C, D, and E; from heating the warehouse proposed under Alternatives C, D, and E; and from employee and truck travel to and from the site.

Under Alternatives B, C, and D, the emissions would have a very low impact on ambient air quality. Alternative E would have a low but perceptible impact on ambient air quality.

None of the proposed alternatives would create sources of air emissions that would require a federal, state, or tribal permit.

Cultural Resources

Cultural resource survey work has documented the presence of cultural resource sites and isolated cultural resource finds in the vicinity of the proposed project.

Under Alternative A, these sites would continue to experience impacts from ongoing agricultural practices.

Under Alternatives B, C, D, and E, all sites would be avoided, if possible. If avoidance is not possible, mitigation of the effects to those sites would be required. A plan would be developed in consultation with the CTUIR Tribal Historic Preservation Office (THPO) and the lead federal agency. Two of the isolated finds have been tested and determined not to be sites and therefore not eligible for inclusion in the National Register of Historic Places (National Register). If the remaining isolates would be affected, testing would occur to determine whether associated intact subsurface deposits would make the isolate a site potentially eligible for inclusion in the National Register.

There is the potential for the inadvertent discovery of cultural resources during construction. If such resources were found, work would cease in the immediate area. Before construction could resume in the area, the find would be assessed by the Cultural Resources Protection Program (CRPP) in consultation with the THPO and lead federal agency. If ancestral remains were uncovered during ground disturbing activity, the *Policy and Procedure Manual for Repatriation of Ancestral Human Remains and Funerary Objects* would be implemented. These documents recognize that it is the CTUIR's preference to allow individuals to remain in-situ; however procedures are outlined regarding relocating the individual(s) if deemed necessary.

The cultural resource investigation conducted to this point provides some basis for designing proposed infrastructure in order to avoid impacts to

known cultural resource sites. Shovel testing in the footprint of proposed ground disturbing activity would be required. ~~Further investigation to determine if there are any traditional cultural properties that would be affected by the project would be required prior to any ground disturbing activity.~~ Monitoring of portions of the project would be necessary.

Visual Environment

Under Alternative A, there would be change in the visual environment at the project site. Ongoing development trends in the vicinity of the project site mean that the surrounding project area would gradually assume more of a rural residential and less of an agricultural character over time.

Alternatives B, C, D, and E would change the rural agricultural appearance of the proposed project site. This change would be visible from all directions at adjacent properties; and would be visible from locations to the south, east, and west at the mid ($\frac{1}{4}$ mile to $\frac{1}{2}$ mile) and far ($\frac{1}{2}$ mile to 6 miles) distances. The proposed project would be visible from Tutuilla Church to the west of the proposed project site; from residents traveling north and south on South Market Road; and from individuals traveling east and west on Interstate 84. The proposed project would be visible to individuals descending Interstate 84 headed west from Cabbage Hill. The proposed project would not be visible from the Mission area, at Tamastlikt Cultural Institute, or throughout most of the Wildhorse Resort area.

New lighting could increase night light pollution. Mitigation for increased night light pollution expected under Alternatives B, C, D, and E would be to incorporate night lighting guidelines into the lease language for the proposed site.

CTUIR would develop a plan to address the proposed development's impact on the viewshed. The plan would include recommendations for landscaping and appropriate earth-toned building colors. The proposed visual buffer constructed on the south and east edges of the parcel may mitigate this change in the viewshed by providing a landscaped area for residents to see. The proposed landscaping in the buffer would take some years to grow to maturity.

Noise

The average ambient noise level at the site was measured at 55 decibels in 2004. This noise level would likely continue under Alternative A.

Under Alternatives B, C, D and E, the projected increase in noise from operations at the proposed project site, estimated at 80 decibels, would

likely decrease to 55 decibels before it reached any area residences or adjacent commercial operations.

Transportation

Under all Alternatives, the Interstate 84 (I-84) interchange is the predominant transportation feature of the area. This interchange does not provide sufficient intersection sight distance for vehicles exiting the Interstate. Adequate stopping sight distance is provided along the I-84 overpass, current traffic levels are low during peak travel periods, and crash frequencies are low. Therefore traffic safety at the I-84 westbound and eastbound ramp terminals does not appear to be a problem today. Under all Alternatives, including Alternative A, as traffic levels rise in the future as a result of population growth in the area, the potential for crashes would be likely to increase and safety deficiencies may occur.

Under Alternatives B, C, D, and E, there is a \$1.1 million project scheduled for the project vicinity (Highway 331) in 2008 as part of the Oregon Draft State Transportation Improvement Program. This project would increase traffic safety by reducing the number of access points near Arrowhead Travel Plaza and potentially by installing traffic calming measures to reduce speeds through the area.

The proposed action alternatives would add between 39 and 198 vehicle trips to the interchange area during the peak hour, as compared to an estimated 70 trips currently entering the interchange at the peak hour. Projected traffic increases would not require any immediate signal, turn lane, or other improvements in order to meet target CTUIR levels of safety and adequate wait time as per the CTUIR Transportation System Plan. Oregon Department of Transportation (ODOT) installation of new traffic signals at the I-84 eastbound off-ramp would be requested as traffic levels increase, and would be projected to be warranted by 2018-2024.

The proposed action alternatives would increase traffic traveling across I-84 and would increase the potential for angle-type accidents as drivers on the off-ramps experience more delays and fewer gaps in mainstream traffic. Mitigation for this would be a traffic speed study in 2006-2007 as part of the proposed Highway 331 improvement project scheduled for 2008 construction. ***Needs would be identified through the study and if changes were necessary, an agreement would be made on the proportionate share of costs to fund any recommended mitigation, which could include*** reducing speed limits and/or installing traffic signals, in order to meet safety standards.

Socioeconomic

The per capita income of American Indian and Alaska Natives (AIAN) on the Reservation is \$12,032, lower than per capita income of either Umatilla County (\$16,410) or the State of Oregon (\$20,940). The poverty rate is 23%, twice the statewide rate of 11.6% and ten percentage points higher than the Umatilla County rate of 13%.

The labor force is expected to grow by 544 people over the coming 14 years as an estimated 30 young American Indian and Alaska Natives turn 18 (U.S. Census 2000) each year, an increase of 189%. This relatively large number of young American Indians highlights a growing need for jobs, as young people graduate from school and establish families.

Job creation and project cost and funding are summarized in Table ES-1.

**Table ES-1
Comparison of Job Creation and Infrastructure Cost by Alternative**

	ALTERNATIVE				
	A	B	C	D	E
New Jobs Created from Site	0	45	160	275	546
Infrastructure Cost	0	\$900,000	\$2,360,000	\$3,160,000	\$4,440,000
Source of Funding for Infrastructure	N/A	Lease revenues from Coyote Business Park Federal, state, and tribal investment (loan/ grant)			

Under Alternatives B, C, D and E, there would be increased opportunities for both tribal and non-tribally owned businesses to provide goods and services to tenants of the business park. There also would be opportunity for businesses owned by CTUIR members to locate in the business park. There would be the opportunity for CTUIR programs (including the Tribal Employment Rights Office and the Workforce Training programs) to provide job training in tandem with new business operations in order to maximize the benefit to CTUIR members and ensure a quality workforce.

Emergency Response

The Umatilla Tribal Fire Department (UTFD) is responsible for fire prevention and suppression, public education, emergency medical services and hazardous materials emergency response on the Umatilla Reservation. The Umatilla Tribal Police Department (UTPD) provides law enforcement services for the reservation.

There would be no impact on UTPD or their ability to provide emergency response from any of the proposed alternatives (A, B, C, D, or E).

Community Infrastructure

The CTUIR operates a community water and wastewater collection system that serves the Mission community and the Wildhorse Resort.

Living on the Reservation is a right reserved for CTUIR members by the Treaty of 1855. Over 100 people are on the Umatilla Reservation Housing Authority waiting lists for the various sizes of apartments and homes. American Indians are underrepresented among homeowners on the Reservation. Housing of all types could be considered to be at a premium on the Reservation.

Under all Alternatives, there would be a shortage of affordable housing on the Reservation. The cumulative result under all alternatives would be that CTUIR members employed on the Reservation may be required to seek housing off-Reservation and may then lose both the cultural and financial benefits (exemption from Oregon State Income tax) of living and working on-Reservation.

Under Alternatives B, C, D and E, the projected water demand of the proposed business park would range from 5.6-22.10 acre feet per year. While there would be adequate capacity in the aquifer to provide this water, an additional permit from CTUIR Water Resources Program would be required. The projected increased flows to the wastewater system under Alternatives D and E would amount to less than 1% of the existing flows in the system.

Summary of Mitigation Measures

Alternative A

1. CTUIR would need to identify other opportunities for business development on the Reservation in order to comply with the Comprehensive Plan and Mission Community Plan.
2. ODOT would conduct a speed study along Highway 331 in the site vicinity and implement speed reduction measures, as warranted, to maintain low accident rate at I-84 interchange.
3. ODOT would install traffic signals at I-84 interchange when warranted by traffic demands.

4. ODOT **or appropriate jurisdictions** would reconstruct I-84 overpass to construct turn lanes and improve safety.
5. CTUIR would identify and implement alternative measures to create jobs for tribal members.

Alternatives B, C, D and E

1. A noxious weed control plan would be developed and implemented for both the construction and operations phases of the proposed business park, including the seasonal application of herbicides during noxious weed control in Riparian Management Zone to minimize impact on water quality.
2. Pre-construction shovel testing would be conducted within the footprint of major ground disturbing portions of the project, as determined by the THPO.
3. Cultural resource monitoring would occur during construction.
4. CTUIR would consult with THPO to protect cultural resources in the project vicinity during project design, construction, and operations.
5. **CTUIR would adopt a plan to minimize the impact on the viewshed. The plan would recommend appropriate landscaping and address earth-toned paint colors.** Lease language would include design standards for lighting that would minimize night light pollution; **and for use of neutral paints on buildings and improvements**
6. Dust control measures during construction to mitigate for additional dust resulting from ground-disturbing activity.
7. Require best management and emissions control technology from refueling station.
8. Conduct a speed study along Highway 331 in the proposed project vicinity. ODOT would be requested to implement traffic calming and/or control measures as recommended by the study in order to maintain the current low accident rate at the I-84 interchange.
9. Implement specific job training programs to ensure maximum CTUIR member benefit from proposed job creation.