SECTION 1.0
PURPOSE, NEED AND SCOPE

1.0 PURPOSE, NEED AND SCOPE

This Environmental Assessment (EA) addresses the potential impacts of the proposed transfer of Federal land to private ownership at Candy Lake near Barnsdall, Oklahoma (Figure 1-1). The land transfer is being proposed by the U.S. Army Corps of Engineers (USACE) to comply with the requirements of Public Law 106-53, Section 563 (c) of the Water Resources Development Act of 1999, requiring the property to be conveyed from Government ownership. This EA was prepared in accordance with the National Environmental Policy Act (NEPA) of 1969, USACE Planning Guidance Notebook ER 1105-2-100 and the President's Council on Environmental Quality (CEQ) Regulations for the Implementation of NEPA.

1.1 BACKGROUND AND PROJECT DESCRIPTION

The Candy Lake project was originally planned as a multi-purpose reservoir that would improve flood control on the Arkansas River. As part of the reservoir development, 26 tracts of land were acquired from 21 landowners. The land was primarily acquired through condemnation. Construction began in September 1976 and was about 15% complete when, in 1981, a U.S. Department of Justice decision withdrew condemnation proceedings to acquire mineral rights from the Osage Nation. The Candy Lake project was placed in deferred status in 1984 and the project was ultimately de-authorized in 1994. The Tulsa District made the Candy Lake lands available for leasing for agricultural and grazing purposes. Previous landowners had priority leasing rights. The Tulsa District advertised the area for lease on a yearly basis by competitive bid procedures in subsequent years. Additionally, in the late 1980s, the Tulsa District entered into a letter agreement for cooperative wildlife management with the Oklahoma Department of Wildlife Conservation (ODWC). The agency managed all of the Candy Lake project lands for wildlife following an ODWC-prepared wildlife management plan. The wildlife management plan included items such as fencing, sign posting, boundary marking and other management activities designed to prevent public trespass on adjacent private lands and illegal uses of public lands. The lands were made available for hunting, fishing and grazing. The letter agreement between the USACE and ODWC has been terminated. However, the area remained open for seasonal hunting.

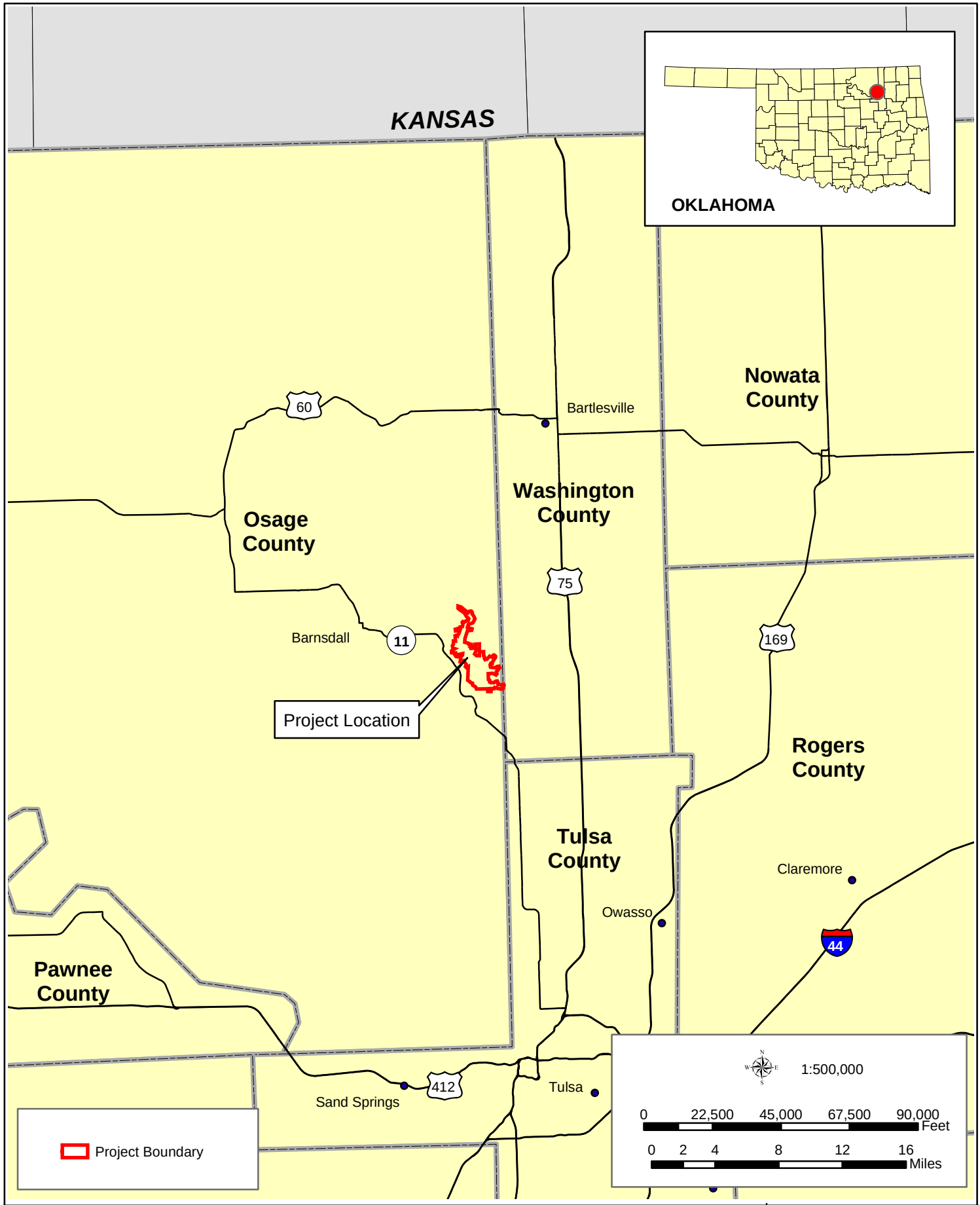

Figure 1-1: Vicinity Map

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All former outgrants have expired, including 44 flowage easements and the three road easements. Oil and gas activity still occur at Candy Lake. Currently, the USACE has four active consents for mineral exploration.

The Government proposes to dispose of the Candy Lake Reservoir Area according to The Water Resources Development Act of 1999, Public Law (P.L.) 106-53. Section 563(c) of this legislation directs the conveyance of the Government's interest in the land acquired for the Candy Lake Project. The USACE conveyance project would offer the option of purchasing the 26 tracts of land originally acquired to construct Candy Lake to the original 21 landowners (including corporations) and their descendents, at fair market value. The parcels would be processed for Federal screening if the original landowners are not interested in purchasing them.

1.2 LOCATION OF THE PROPOSED ACTION

The Candy Lake Reservoir area is located in southeastern Osage County, Oklahoma, approximately 45 miles north of Tulsa. The project area totals 3,658 acres and is located east of the towns of Barnsdall and Avant, Oklahoma (Figure 1-2). Candy Creek, a tributary of Bird Creek, bisects the project site.

1.3 PURPOSE AND NEED

The purpose of the Candy Lake Land Transfer Project (Project) is for the Government to divest its interest in the land originally obtained to construct a multi-purpose flood control reservoir. An agreement as to the mineral rights for the land could not be reached with the Osage Nation; therefore, the flood control reservoir was never built. Because the reservoir was never built and the project has now been de-authorized by Congress, the Government is required to dispose of the property at fair market value. .

The Water Resources Development Act of 1999, P.L. 106-53, Section 563 (c), requires the property to be conveyed from Government ownership. This requirement includes conveying all right, title and interest of the United States in and to the land acquired for the Candy Lake project. Additionally, it requires that the Government must give a previous owner of the land and their descendants, the first option to purchase the land.

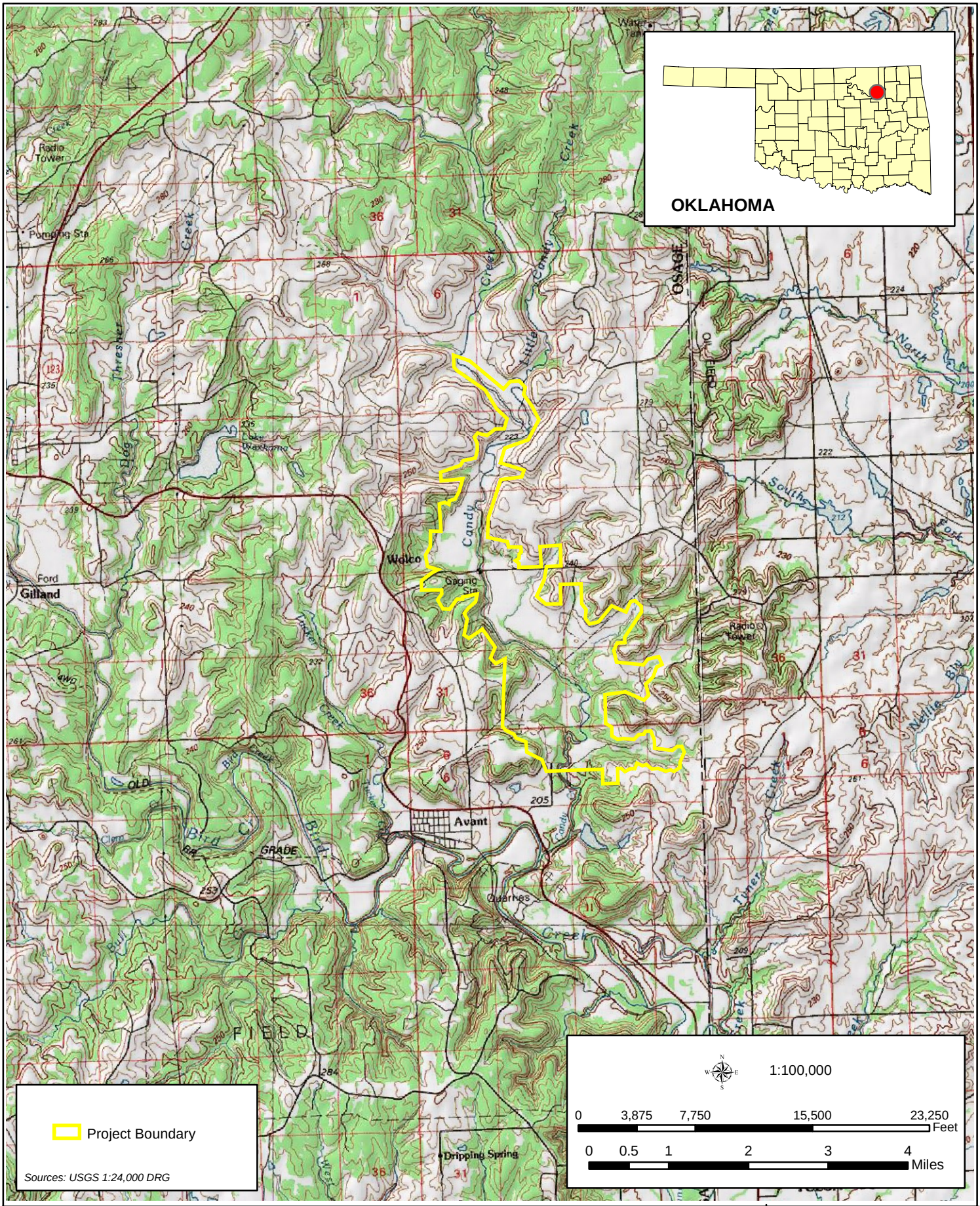

Figure 1-2: Project Location

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1.4 PUBLIC SCOPING AND INVOLVEMENT

As part of the NEPA process as outlined in the CEQ regulations and ER 1105-2-100, the scoping process was initiated for this project to gather Government agency and public concerns, comments and input on the scope of the project and range of alternatives to be evaluated. Furthermore, the scoping process assists in identifying stakeholders and allows for public participation in the environmental impact analysis.

The scoping process was initiated by advertising the date and time of the scoping meeting in one local newspaper, the *Barnsdall Times*, and one regional newspaper, the *Bartlesville Examiner-Enterprise*, two weeks prior to the meeting date. Scoping letters were sent to agencies, Federal, state and local governmental officials, previous landowners and concerned citizens in advance of the scoping meeting. A scoping meeting for this project was held on September 23, 2003 at Barnsdall Elementary School in Barnsdall. This was an open house, informal meeting that allowed the general public to attend the meeting at their leisure and ask questions of any government representative that was present. A total of 28 people attended the scoping meeting and many provided written comments.

The scoping period was initiated with the scoping meeting on September 23, 2003 and continued through October 23, 2003. Thirteen comments were received during the scoping period regarding the NEPA process or the EA preparation. All responses received by the USACE during the scoping period were considered during the preparation of this EA. A copy of the newspaper notice, scoping meeting letter, meeting sign-in sheet and all responses are included in Appendix A.

1.5 ORGANIZATION OF THE EA

This EA is organized into nine different sections, including this introductory section. Section 2 presents the proposed action and alternatives. This section also provides a summary of the potential impacts that would be associated with each alternative. Section 3 discusses the existing conditions of various resources at each site and the region, as appropriate. The potential consequences of implementing the alternatives are presented in Section 4. These discussions follow the same sequential order as the resources presented in Section 3. Various environmental design measures that could be implemented to reduce or avoid adverse impacts

are presented in Section 5. Section 6 discusses the efforts that the USACE implemented to solicit input from the general public and various resource agencies.

The remainder of the EA includes references, a list of preparers, and a list of acronyms and abbreviations used throughout the document. Appendix A contains copies of correspondence that was submitted or received during the preparation of this EA. Appendix B contains information provided by the USACE Regulatory Branch concerning Section 404 permit requirements. Appendix C includes all correspondence concerning coordination with the U.S. Fish and Wildlife Service (USFWS), Appendix D contains all coordination pertaining to cultural resources, Appendix E includes the public comments on the draft EA received during the public review period, and Appendix F contains the copies of the newspaper notices.