

FINDING OF NO SIGNIFICANT IMPACT
TENNESSEE VALLEY AUTHORITY
INVESTPREP GRANT PROPOSAL FOR
TELLICO WEST INDUSTRIAL PARK

An integral part of Tennessee Valley Authority's (TVA) mission is to promote economic development in the TVA service area. TVA provides financial assistance to help bring to market new/improved sites and facilities in the TVA service area and position communities to compete successfully for new jobs and capital investment. TVA proposes to provide an economic development grant through TVA InvestPrep funds to the Tellico Reservoir Development Agency (TRDA) to facilitate the development of a site within the Tellico West Industrial Park. TRDA would use TVA funds for due diligence studies (Phase I Environmental Site Assessment [ESA] and boundary survey), tree clearing, site grading including the construction of a 200,000 square foot pad, and construction of a stormwater detention basin and gravel access road. The Tellico West Industrial Park is located along the east side of State Road (SR) 72 in Vonore, Monroe County, Tennessee. The area of TVA's Proposed Action (herein referred to as the Project Area) is an approximately 39.4-acre area that is located east of SR 72 and north of Old Slag Road. The Project Area is a portion of the Tellico West Industrial Park and is proposed for development by the TRDA as a future graded industrial site with rail feasibility.

TVA's Proposed Action would assist the TRDA with the development of a graded industrial site with rail feasibility, increasing the probability of achieving TVA's mission of job creation and capital investment. The proposal is the subject of an Environmental Assessment (EA) prepared by TVA, which is incorporated herein by reference. In the EA, TVA evaluated potential impacts of the Proposed Action (i.e., the Action Alternative) as well as the alternative of not implementing the action (i.e., the No Action Alternative). Under the No Action Alternative, TVA would not provide TVA InvestPrep funds to the TRDA. TVA would not be furthering its mission of promoting economic development by assisting the local community to compete successfully for new jobs and capital investment through the Proposed Action. The TRDA may seek alternate funding (if available) to complete due diligence studies (Phase I ESA and boundary survey), tree clearing, site grading including the construction of a 200,000 square foot pad, and construction of a stormwater detention basin and gravel access road. Success in obtaining alternate funding would result in similar impacts and benefits as the Action Alternative. If the TRDA were not able to secure the funding for the actions described above, the land use at the site would likely remain unchanged, no direct environmental impacts would be anticipated, and the economic benefits associated with the Action Alternative would not be realized. Under the Action Alternative, TVA would provide TVA InvestPrep funds to the TRDA to complete due diligence studies (Phase I ESA and boundary survey), tree clearing, site grading including the construction of a 200,000 square foot pad, and construction of a storm water detention basin and gravel access road.

The Action Alternative would require disturbance of approximately 39.4 acres and would result in clearing of approximately 3.7 acres of trees. The TRDA or its contractors would implement appropriate measures, such as best management practices (BMPs) and best construction

practices, to minimize or reduce negative potential environmental impacts of the Action Alternative to insignificant levels. These practices include, but are not limited to, installation of sediment and erosion controls (silt fences, sediment traps, etc.); management of fugitive dust; and a restriction allowing work during day time work hours only.

TVA has determined that the Action Alternative would not affect floodplains, land use and prime farmland, aquatic ecology, public recreation opportunities and archaeology and historical structures, nor would it result in significant impacts from the creation or disposal of solid and hazardous wastes. Implementing the Action Alternative would result in minor direct and indirect impacts to air quality and climate change, groundwater, surface water, terrestrial zoology, botany, and natural and managed areas. Implementation of the Action Alternative could create potential impacts to the human environment, including visual effects, noise, socioeconomics and environmental justice, and transportation issues.

A December 2019 field survey of the Project Area identified five emergent and two forested wetlands and one intermittent and one wet weather conveyance or ephemeral waterbody in the Project Area. These wetlands and waterbodies were examined to determine if they were Jurisdictional Waters of the United States (WOTUS) regulated by the United States Army Corps of Engineers (USACE) under Section 404 of the Clean Water Act (CWA) and Section 10 of the Rivers and Harbors Act (RHA) and Jurisdictional Waters of the State of Tennessee (WOST) regulated by the Tennessee Department of Environment and Conservation (TDEC). Each of the emergent and forested wetlands in the Project Area has a direct or indirect surface water connection with Jurisdictional WOTUS. It is therefore anticipated that the USACE would consider these wetlands to be Jurisdictional WOTUS. The placement of fill material to prepare for future construction of a railroad spur would result in permanent impact to approximately 0.08 acre of emergent wetland (W7). Impacts to this wetland are unavoidable as there are no alternative locations for the future railroad spur due to site constraints and the location of the railroad track in relation to the Project Area. Therefore, in terms of EO 11990, there is no practicable alternative that would avoid impacting such wetlands given the constraints associated with the proposed project. The intermittent stream identified in the Project Area flows into Island Creek. Island Creek, a relatively permanent water (RPW), is classified as a WOTUS. Due to this connection and based on field survey observations, the intermittent stream is classified as a non-relatively permanent water (non-RPW) and would be a Jurisdictional WOTUS and a WOST. The wet weather conveyance or ephemeral stream in the Project Area is also classified as a non-RPW. When water is present, this feature flows into the intermittent stream identified in the Project Area. Due to this connection and based on field survey observations, this stream would potentially be a Jurisdictional WOTUS. Because it is a wet weather conveyance, it is not a WOST. Because avoidance of impacts to WOTUS and WOST is not feasible, consultation and permitting with the USACE Nashville District and TDEC would be required prior to initiation of construction. Impacts to WOTUS would require a CWA Section 404 permit and a CWA Section 401 Water Quality Certification. Impacts to WOST would require an Aquatic Resource Alteration Permit (ARAP) from TDEC, which would also serve as the Section 401 Water Quality Certification.

November 2019 environmental surveys identified suitable summer roosting habitat for federally and state listed bats in the Project Area. Foraging habitat for these species occurs over, alongside, and through forest fragments and over the waterbodies in the Project Area. The Action Alternative includes removal of 0.21 acres of suitable summer roosting habitat and the removal of the wet weather conveyance within the Project Area. Several activities associated with the Action Alternative (including burning and tree removal during potentially occupied timeframes) were addressed in TVA's programmatic consultation with the USFWS on routine

actions and federally listed bats in accordance with ESA Section 7(a)(2). For those activities with potential to affect bats, TVA committed to implementing specific conservation measures. These activities and associated conservation measures, identified on the TVA Bat Strategy Project Screening Form (Attachment 2 of the EA), would be reviewed/implemented as part of the Action Alternative. With adherence to the identified conservation measures, implementation of the Action Alternative would not significantly affect federally and state listed bats.

Two separate Phase I archaeological surveys conducted in 2000 and 2020 covered the Project Area. No previously recorded or new archaeological sites were identified during the surveys and no further work was recommended since the Action Alternative would result in no effect to National Register of Historic Places (NRHP) eligible archaeological resources. A historic architectural survey of the Project Area was conducted in 2020. The survey identified no previously recorded or new historic architectural resources in the Project Area or in the Project Area viewshed. As such, the Action Alternative would have no effect on properties included in or eligible for inclusion in the NRHP.

Resources that could potentially be cumulatively impacted by implementation of the Action Alternative and future development of the remaining available parcels in the Tellico West Industrial Park include air quality and climate change, groundwater, wetlands, surface water, terrestrial zoology, botany, and natural and managed areas (National Rivers Inventory streams and Wild and Scenic Rivers). In addition, implementation of the Action Alternative and future development of the remaining available parcels in the Tellico West Industrial Park could create potential cumulative impacts to the human environment, including visual effects, noise, socioeconomics and environmental justice, and transportation issues. With implementation of appropriate measures, such as BMPs and best construction practices, and consultation and permitting with the appropriate state and federal agencies, cumulative impacts to these resources are anticipated to be minor. Although it would have a somewhat greater impact than the No Action Alternative, the Action Alternative would result in a minimal impact on the environment. Therefore, TVA has determined that cumulative impacts of the Action Alternative would be insignificant.

Public and Intergovernmental Review

The Draft EA was released on TVA's website for public review and comment for 10 days beginning on March 19, 2020. No comments were received on the Draft EA. Pursuant to Section 106 of the National Historic Preservation Act, TVA consulted with the Tennessee State Historic Preservation Officer (SHPO) requesting concurrence that the proposed action would have no effect on cultural resources. The SHPO concurred with this determination in a letter dated March 9, 2020. TVA also consulted with federally recognized Indian tribes regarding properties that may have religious and cultural significance to their tribe and be eligible for the NRHP and two responses were received, indicating no objection to the project.

Mitigation

To minimize or reduce the environmental effects of site activities associated with the Action Alternative, the TRDA or its contractors are expected to ensure all clearing and grading activities conducted comply with stormwater permitting requirements and use applicable BMPs to minimize and control erosion and fugitive dust during these actions. On-site burning activities are to comply with local burn permits, the requirements in TDEC Air Pollution Control Rule 1200-3-2 and conservation measures identified on TVA's Bat Strategy Project Screening Form.

Operations involving chemical or fuel storage or resupply and vehicle servicing are expected to be handled outside of riparian areas and in such a manner as to prevent these items from reaching a watercourse. Earthen berms or other effective means are expected to be installed to protect nearby stream channels from direct surface runoff. Servicing of equipment and vehicles is expected to be done with care to avoid leakage, spillage, and subsequent surface or groundwater contamination. Oil waste, filters, and other litter are expected to be collected and disposed of properly.

Unavoidable impacts to wetlands and streams would require consultation and permitting with the USACE Nashville District and TDEC prior to initiation of construction. Impacts to WOTUS would require a CWA Section 404 permit and CWA Section 401 authorization and impacts to WOST would require a TDEC ARAP. The terms and conditions of these permits and any mitigation measures identified would be implemented per permit requirements.

TRDA or its contractor would complete construction of the gravel access road in such a manner that upstream flood elevations would not be increased by more than one foot.

Specific avoidance and conservation measures identified on the TVA Bat Strategy Project Screening Form would be implemented as a part of the Action Alternative to reduce effects to Indiana bat, northern long-eared bat, and gray bat.

Conclusion and Findings

Based on the findings listed above and the analyses in the EA, we conclude that the Proposed Action of TVA funding due diligence studies (Phase I ESA and boundary survey), tree clearing, site grading including the construction of a 200,000 square foot pad, and construction of a stormwater detention basin and gravel access road, would not be a major federal action significantly affecting the environment. This finding is dependent on implementation of the mitigation measures described above. Accordingly, an environmental impact statement is not required.



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Date Signed