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FINDING OF NO SIGNIFICANT IMPACT TENNESSEE VALLEY AUTHORITY ECONOMIC DEVELOPMENT GRANT PROPOSAL FOR THE HENDERSON INTERSTATE INDUSTRIAL PARK Simpson County, KY (Franklin)

An integral part of Tennessee Valley Authority's (TVA) mission is to promote economic development within the TVA service area. TVA provides financial assistance to help bring to market new/improved sites and facilities within 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 InvestPrep funds to Franklin-Simpson Industrial Authority (FSIA) to assist with the development of the Henderson Interstate Industrial Park. The area of potential effect (APE) for TVA's proposed action (hereafter referred to as the Project Area) comprises approximately 29.8 acres of the total 350 acres of the Henderson Interstate Industrial Park located on Garvin Lane adjacent to Scottsville Road/Kentucky (KY) Highway 100 and Interstate 65 (I-65), approximately 3.5 miles east of the City of Franklin, KY in Simpson County. There would be minor impacts as a result of the Proposed Action.

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 InvestPrep funds to the FSIA. 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 FSIA may seek alternate funding (if available) to combine with their existing funds to develop the site. Success in obtaining alternate funding would result in similar impacts and benefits as the Action Alternative. If the FSIA were not able to secure the funding for the proposed actions, the land use at the site would likely remain unchanged, no 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 InvestPrep funds to the FSIA, facilitating the improvement of the Project Area within the Henderson Interstate Industrial Park. TVA funds would be used to assist with due diligence studies (including geotechnical soil borings) on Lots 8 and 9, clearing and grubbing, construction of a gravel access road, construction of a 104,000 square foot compacted dirt pad (expandable to 208,000 square feet) on Lot 8, draining and mucking of an existing low-lying area, and construction of a new stormwater retention pond.

Implementation of the Action Alternative would result in disturbance of the Project Area in preparation for industrial use. The FSIA or its contractors are expected to implement appropriate measures, such as best management practices (BMPs), 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 daytime work hours only.

TVA has determined that the Proposed Action, subsequent to TVA's selection of the Action Alternative, would have no impact on land use or prime farmland, solid and hazardous wastes, floodplains, managed or natural areas, recreation, archaeology and historic structures and sites.

Implementing the Action Alternative would result in potential minor impacts to air quality and climate change, groundwater, surface water, wetlands, aquatic ecology, terrestrial zoology, and botany. Implementation of the Action Alternative could create potential impacts to the human environment, including visual effects, noise, socioeconomics and environmental justice, and transportation.

A December 2020 environmental survey conducted at the Henderson Interstate Industrial Park identified two ephemeral streams, one isolated depression pond, and one scrub-shrub wetland within the Project Area. Ephemeral streams SSN01 and SSN02 were dry at the time of survey. Pond WBSN01 appears to have no defined surficial hydrologic inflows or outflows. The ephemeral streams, pond, and wetland are assumed to be non-jurisdictional under the 2020 Navigable Water Protection Rule (NWPR) and/or not subject to Section 404 Clean Water Act (CWA) permitting with the United States Army Corps of Engineers (USACE) Louisville District. If the ephemeral streams or the pond were deemed as jurisdictional Waters of the United States (WOTUS), consultation would be required with the USACE for dredge and fill activities under Section 404 CWA and the KY Division of Water (KDOW) for the Section 401 Water Quality Certification. Construction activity associated with the Action Alternative would avoid wetland WSN01, but indirect impacts associated with changes in hydrology and sedimentation could occur.

The environmental survey also identified summer roosting habitat [3 potential roost trees (PRT)] for Indiana bat and northern long-eared bat (NLEB). Three secondary PRT are located in the southeast corner of the Project Area, isolated away from mature forest, and would account for 0.27 acre of bat summer roosting habitat lost (0.09 acre each). These trees will likely will be removed during the Non-Winter Season (Apr 15 – May 31 and Aug 1 – Sept 30). The use of habitat take while bats have the potential to be on the landscape will require a monetary contribution to the Conservation Fund. No winter bat habitat was observed within the Project Area. Foraging habitat for both species occurs over, alongside, and through two forest fragments, the two ephemeral streams, and the pond in the Project Area. A number of activities associated with the Action Alternative, including tree removal and burning, 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) and completed in April 2018. For those activities with potential to affect bats, TVA committed to implementing specific conservation measures. These activities and associated conservation measures are identified on page 5 of the TVA Bat Strategy Project Screening Form (Attachment 2 of EA) and must be reviewed/implemented as part of the Action Alternative. With implementation of these conservation measures, no significant impacts are expected to federally listed bats.

A Phase I cultural resources investigation was performed in December 2020 that included both an assessment of standing structures as well as archaeological survey of the Project Area. The architectural survey identified three newly recorded structures of over 50 years in age. All three structures were considered ineligible for listing on the National Register of Historic Places (NRHP). The archaeological survey excavated a total of 231 shovel tests on a 30 meter grid across the entire breadth of the Project Area. None of these shovel tests yielded any cultural material. No archaeological artifacts or resources were identified as a result of the Phase I survey. No further archaeological work is recommended in the Project Area. TVA consulted with the KY State Historic Preservation Office (SHPO) in a letter dated February 16, 2021 regarding TVA's findings and recommendations. In a letter dated March 16, 2021 the KY SHPO concurred with TVA's findings of no effect. Pursuant to 36 CFR 800.3(f)(2), 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 no response was received.

Mitigation

To minimize or reduce the environmental effects of site activities associated with the Action Alternative, the FSIA or its contractors are expected to ensure all clearing and grading activities conducted comply with stormwater permitting requirements and utilize applicable BMPs to minimize and control erosion and fugitive dust during these actions. Onsite burning activities would be conducted in compliance with local burn permits, the requirements in Title 401 KAR 63:005, and conservation measures identified on page 5 of the TVA Bat Strategy Project Screening Form (Attachment 2 of EA).

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 surface waters from direct surface runoff. Servicing of equipment and vehicles is expected to be done with care to avoid leakage, spillage, and subsequent surface or ground water contamination. Oil waste, filters, and other litter are expected to be collected and disposed of properly.

Unavoidable impacts to the two ephemeral streams and the pond would require consultation and permitting with the USACE Louisville District and KDOW if determined to be jurisdictional. If determined jurisdictional, impacts to the streams and pond may require a CWA Section 404 permit and a CWA Section 401 authorization, which would include mitigation measures and possibly compensatory mitigation (e.g., purchase of mitigation credits or implementation of a permittee responsible mitigation plan). The two ephemeral streams and the pond do not provide preferred habitat for aquatic species and impacts to aquatic ecology would not be significant.

Specific avoidance and conservation measures would be implemented as a part of the Action Alternative to reduce effects to Indiana bat and NLEB. These measures are identified in the TVA Bat Strategy Project Screening Form (Attachment 2 of EA).

Conclusion and Findings

Based on the findings listed above and the analyses in the EA, we conclude that the Proposed Action of TVA funding the improvement of the Project Area within the Henderson Interstate Industrial Park 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.

March 25, 2021

Dawn Booker NEPA Manager Federally Mandated Environmental Compliance Tennessee Valley Authority Date Signed