

FINDING OF NO SIGNIFICANT IMPACT
TENNESSEE VALLEY AUTHORITY
PROPOSED CHOTO MARINA EXPANSION
FORT LOUDOUN RESERVOIR
KNOX COUNTY, TENNESSEE

Proposed Action and Need

Choto Marina (MEJ Properties, LLC) submitted a joint Department of the Army (DA)/Tennessee Valley Authority (TVA) Section 26a permit application on April 1, 2004. Choto proposes to expand facilities in an existing marina and to expand its harbor limits. The marina is located at Tennessee River Mile 612.5 (right bank) on Fort Loudoun Reservoir in Knox County, Tennessee. The marina expansion would include the addition of new slips and dock extensions, a ship store and fuel dock, and sewage pump-out facility. Choto Marina has requested expansion of the existing harbor limits in order to accommodate the requested expansion. A more detailed description of the proposed expansion is described in Section 1.2 of the attached Environmental Assessment (EA) prepared by the U.S. Army Corps of Engineers (USACE), in cooperation with TVA.

Alternatives

Two alternatives were evaluated for comparison purposes. Under the No Action alternative the marina operation that exists would likely continue to operate as it presently does. The potential environmental impacts described in Section 3.0 of the EA would not occur. The socioeconomic benefits of a larger recreational facility would not be achieved. No action would be brought about by a USACE or TVA permit denial.

Under the Action Alternative, Choto Marina's application for development of marina expansion would include the addition of new slips and dock extensions, a ship store and fuel dock and a sewage pump-out facility as described in Section 1.2 of the EA. Choto has requested expansion of the existing harbor limits in order to accommodate the requested additional facilities. All proposed dock structures would be at a distance of more than 300 feet from the Tennessee River navigation channel.

Impacts Assessment

The USACE has prepared an EA dated May 27, 2005, to discuss the potential environmental impacts associated with the proposed project. The USACE Statement of Findings was issued on June 1, 2005. TVA is a cooperating agency on the EA. Section 3.0 of the EA addressed the potential impacts of the proposed project on the following resource areas: health and safety, erosion and water quality, biological and human characteristics, and aesthetics. No threatened or endangered species, wetlands, or historic resource issues were identified. The proposed addition of facilities is consistent with repetitive uses in the floodplain without impact and would not impact flood control functions. Recreation opportunities will be enhanced. Other resource areas evaluated in Section 3.0 identified insignificant or no impacts. TVA has independently reviewed the assessment of impacts in the USACE EA, and has decided to adopt the USACE EA. It is attached and incorporated by reference.

The health and safety issues reviewed in the EA included the adequacy of emergency response plan and spill prevention plan for the proposed fuel dispensing facility. The applicant has prepared a Spill Prevention, Control, and Countermeasure (SPCC) Plan, and TVA will require storage, piping and dispensing of fuels in accordance with the SPCC Plan or other state or local laws and regulations in order to operate a fueling facility. The environmental review also evaluated the potential for water quality impacts. No additional wastewater would be permitted to be discharged into the existing onsite wastewater system. Wastewater generated from the proposed boat pump system would be pumped to a holding tank and hauled to an offsite treatment facility. The applicant has indicated that sewer will soon be available in the area and he would tie in to the sewer, when available. Construction related best management practices would be required to control pollution runoff and contain accidental spills. Additional state and local permits may be required to reduce construction related impacts from storm water. No significant impacts to terrestrial and aquatic wildlife and habitat or water resources are anticipated.

In response to comments on the public notice, the agencies undertook an in depth evaluation of existing property owner access and navigational safety. Locations of proposed facilities were reviewed to ensure access and boating maneuverability. No mooring of boats would be permitted along the ship store gangway, behind "D" and "E" dock or along the Victory property to ensure existing property owner access. Any harbor limit expansion will maintain a minimum distance of 300 feet from the main navigation channel on the Tennessee River and therefore would not impact commercial navigation.

Construction of additional marina facilities would have little impact on the visual character of the cove, which has served as a marina for over 50 years. In order to maintain current lake views for four existing residences, height restrictions would be comparable to existing docks. No docks are to be built directly in front of three residences (Amerson, Engleman, and Conner) to protect their views. All lights used will be fully shielded or have internal low-glare optics, such that no light is emitted from the fixture at angles above the horizontal.

With the appropriate health and safety consideration and existing property owner access rights addressed, there are no cumulative impacts from the proposal. The marina expansion will not have any conflicting interests with other existing marinas.

Public and Intergovernmental Review

A joint TVA/USACE Public Notice (PN. 04-48) was published on July 29, 2004, to advertise the Choto Marina proposal. The public notice was widely distributed to federal, state, and local agencies, elected officials and others. Over two hundreds comments and three public hearing requests were received. Comments regarding the proposal are discussed in Sections 2.3 and 2.4 of the EA. Comments included concerns about congestion, health and safety, aesthetics, erosion, water quality, existing property owners' rights, and local zoning laws. Other comments addressed in the EA included noise, traffic, and property values.

The Tennessee Historical Commission (THC) and the U.S. Fish and Wildlife Service (USFWS) responded indicating no objections to the proposal. The THC responded to the public notice by letter dated August 5, 2004, indicating that no National Register of Historic Places (NRHP) listed as eligible properties would be affected by the proposal.

USFWS responded to the notice on August 26, 2004, indicating that based on the best evidence available, no federally listed species are known to occur in the impact area and that the requirements of Section 7 of the Endangered Species Act have been fulfilled.

Numerous public comments were received in response to the public notice with 68 comments against, a 38-signature petition against, and 142 comments in favor. USACE forwarded a summary of objections and copies of major comments to the applicant who responded to the concerns by letter dated September 23, 2004. The applicant's responses have been summarized in Section 2.3 and included in Appendix D of the EA.

Many comments were received regarding the design, orientation, and location of the proposed facility additions. Comments included concerns regarding congestion, safe navigation of boats, and continued water access for existing residents and visual obstruction to lake views. TVA and USACE have negotiated facility design and additions so that water access and lake views to lakefront properties would not be substantially restricted.

Several comments were received regarding health and safety issues including the adequacy of the emergency response plan for dispensing fuel and wastewater handling from the proposed waste pump out facility. Concerns were also expressed regarding construction related impacts to water quality and the surrounding area. TVA and USACE would require the appropriate regulatory approvals for fuel dispensing and wastewater handling to operate these facilities and will require construction related best management practices to reduce water quality impacts to insignificant levels.

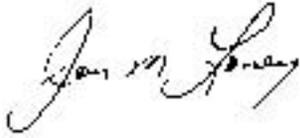
Choto had previously received a variance and approval by the Knoxville Board of Zoning Appeals to complete the proposed improvements in order to enhance boater maneuverability. Several commenters indicated that these variances have been contested by the local property owners. The processing of DA/TVA approvals run concurrently with the processing of other approvals from federal, state, and or local authorizations and decisions regarding permitting are not delayed pending actions by other agencies. Final zoning and land use matters rest with state and local governments. There have been an adequate number of meetings and opportunities for review of the proposed marina additions at the local government level. Requests for additional meetings were denied since they would not have helped in gaining new information or insights on the impacts of the proposed action.

Conclusion and Findings

TVA has independently reviewed the impacts assessed in the USACE EA and determined that the scope, alternatives considered and content are adequate and that impacts to the environment have been adequately assessed. TVA has evaluated the project for compliance with Executive Order 11988. The marina expansion constitutes a repetitive action and impacts to the floodplain have minimized to the extent practicable. There are no threatened or endangered species present. There are no properties eligible for the NRHP present. There are no wetlands located in the project area. Cumulative impacts from the development to the recreational use of the reservoir or to other resources are expected to be insignificant.

Based on the findings in the USACE EA and based on implementation of the above mitigation measures that are incorporated, we conclude that the additional marina

facilities and harbor expansion would not be a major federal action significantly affecting the environment. Accordingly, an Environmental Impact Statement is not required. The FONSI is contingent upon successful completion of the attached commitments.



June 9, 2005

Jon M. Loney, Manager
NEPA Administration
Environmental Policy and Planning
Tennessee Valley Authority

Date Signed

**PROPOSED CHOTO MARINA EXPANSION
FORT LOUDOUN RESERVOIR
KNOX COUNTY, TENNESSEE**

COMMITMENTS

1. All proposed dock structures would be constructed within the approved harbor limit and at a distance of more than 300 feet from the Tennessee River navigable channel.
2. The existing "E" dock (60 feet total width) that abuts with "D" dock extension must reduce the existing offset to 7.5 feet before July, 1, 2005.
3. Certified "as built" drawings of all facilities permitted shall be submitted to TVA within 60 days of completion of construction showing all final locations, dimensions (length, width, height) and materials.
4. Maximum lakeward extension of the ships store and fuel dock facility is limited to 80 feet.
5. All lights used (including headlights and pole-mounted, equipment mounted or structure mounted floodlights) will be fully shielded or have internal low-glare optics, such that no light is emitted from the fixture at angles above the horizontal. For construction, this may require temporary retrofitted headlights, floodlights, and other fixtures with external visors and side shields. Shielded Low Pressure Sodium will be used during the construction and operational phases. Area lighting and parking lot poles will be no taller than 40 feet, unless they are lighting objects taller than 40 feet.