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Project Name: ConRon/Plastic Recycling
Project Number: 2007-25

FINAL ENVIRONMENTAL ASSESSMENT

CONRON/PLASTIC RECYCLING
JEFFERSON CITY, JEFFERSON COUNTY, TENNESSEE

TENNESSEE VALLEY AUTHORITY
MAY 2007

The Proposed Purpose and Need

The Tennessee Valley Authority (TVA) proposes to participate with FSG Bank in making two loans. One loan would be interim financing to ConRon Properties, LLC for a period of up to one year for the purchase of an existing building and making internal improvements. The building is located at 1919 Slate Road, Jefferson City, Jefferson County, Tennessee in the city industrial park. (See the attached location maps and aerial photograph.) The second loan would be to Plastic Recycling, Inc., the company which is occupying the building. The company grinds, separates, recycles, and compounds industrial scrap plastic. Once compounded, the plastic is sold to molder and extrusion companies all over the United States. With the loan the company would buy additional manufacturing equipment to be used in the recycling operation. The company now has about 25 employees and produces about 750,000 pounds of plastic per month. The new equipment would enable a doubling of production and hiring of about 20 new employees over the next 5 years. TVA's participation would be approximately 15% of the cost of the building, improvements, and equipment.

Alternatives and Comparison

There are two feasible alternatives, i.e., the Action Alternative and the No Action Alternative. Under the Action Alternative, TVA would help fund purchase of the building, the improvements, and new manufacturing equipment. Under the No Action Alternative, TVA would not make these funds available. In this event, the company either would seek alternative funding or, continue operations at the current level. If the company obtained alternative funding, overall environmental consequences under either alternative would be similar. If the company continued operations at the current level, there would no change in the minor local solid wastes and traffic generation, but the economic benefits of the new business would not occur, and the 20 local jobs would not be created. Given that the company management thinks there is adequate demand for their product due to closure of the competition, it is likely that the minor impacts of increased production would occur at an existing facility or possibly at a new facility elsewhere in the United States. Expansion of production at an existing facility would most likely have similar and insignificant impacts, but the impacts of building a new facility for new production cannot be reasonably foreseen.

Affected Environment and Evaluation of Impacts

TVA staff review of the proposed expansion has determined that it would be minor in scope and have little or no potential to have adverse impacts on natural resources and the community. Based on TVA's review, impacts from the financial assistance for the new equipment are expected to be minor and insignificant.

Company staff provided information about the impacts of operation. The compounding process involves cutting the scrap plastic into small pieces, mixing them with powdered color pigments, extruding the mix at about 400°F to form a new colored plastic, and then cutting the new plastic into small pellets. The waste streams produced at the plant are ordinary employee paper and plastic waste, and sanitary sewage. According to company officials, testing has shown no emissions from the extruder, and so no air permit is needed for the process. The ordinary employee waste would be discarded in dumpsters and picked up by a licensed waste management company. The plant is tied into the city's sanitary sewer system and the sewage is be treated by the city waste water treatment facility, which has capacity to handle the increase. The water used to cool the extruder is recycled back into the system. Raw and finished materials are transported to and from the plant by semi-tractor trucks. With the expansion, the truck traffic would increase from the current approximately 8 inbound and outbound trucks per week to about 15 inbound and outbound trucks per week. The facility is less than half a mile from 4-lane US 11 via a street which carries other industrial park traffic. Jefferson City Public Works Department staff confirmed that the street has adequate capacity for the small amount of additional traffic which would be generated by the company. In fact, the previous industrial tenant of the building generated more truck traffic than this operation.

The facility does not lie in a 100-year floodplain, as shown in the attached FIRM.

Cumulative Impacts

Due to the small size of the expansion and lack of potential significant impact on the environment, TVA has concluded that the incremental effect of this project, when added to other past, present and reasonably foreseeable future actions (particularly the current plastic production at the existing facility), would have insignificant cumulative impacts.

Mitigation Measures

No mitigation measures have been identified as necessary to reduce the anticipated environmental impacts of the plant expansion.

Preferred Alternative

TVA's preferred alternative is the Action Alternative.

TVA Preparers

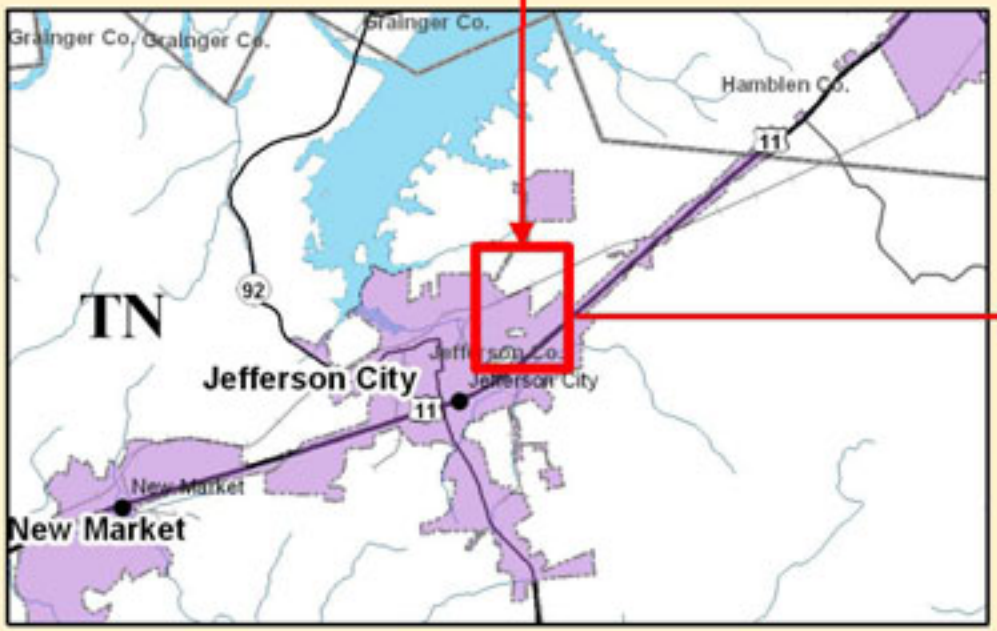
This EA was prepared by Peter K. Scheffler, Senior NEPA Specialist.

Agencies/persons consulted:

Bill L. Zotto, Project Control Specialist, Economic Development
Plastic Recycling, Inc. staff
Jefferson City Public Works Department staff

Attachments:

Location maps, aerial photograph, and Flood Insurance Rate Map



Location Map
Plastic Recycling, Inc. - EDLF Loan
1919 Slate Road
Jefferson City, Jefferson County, Tennessee

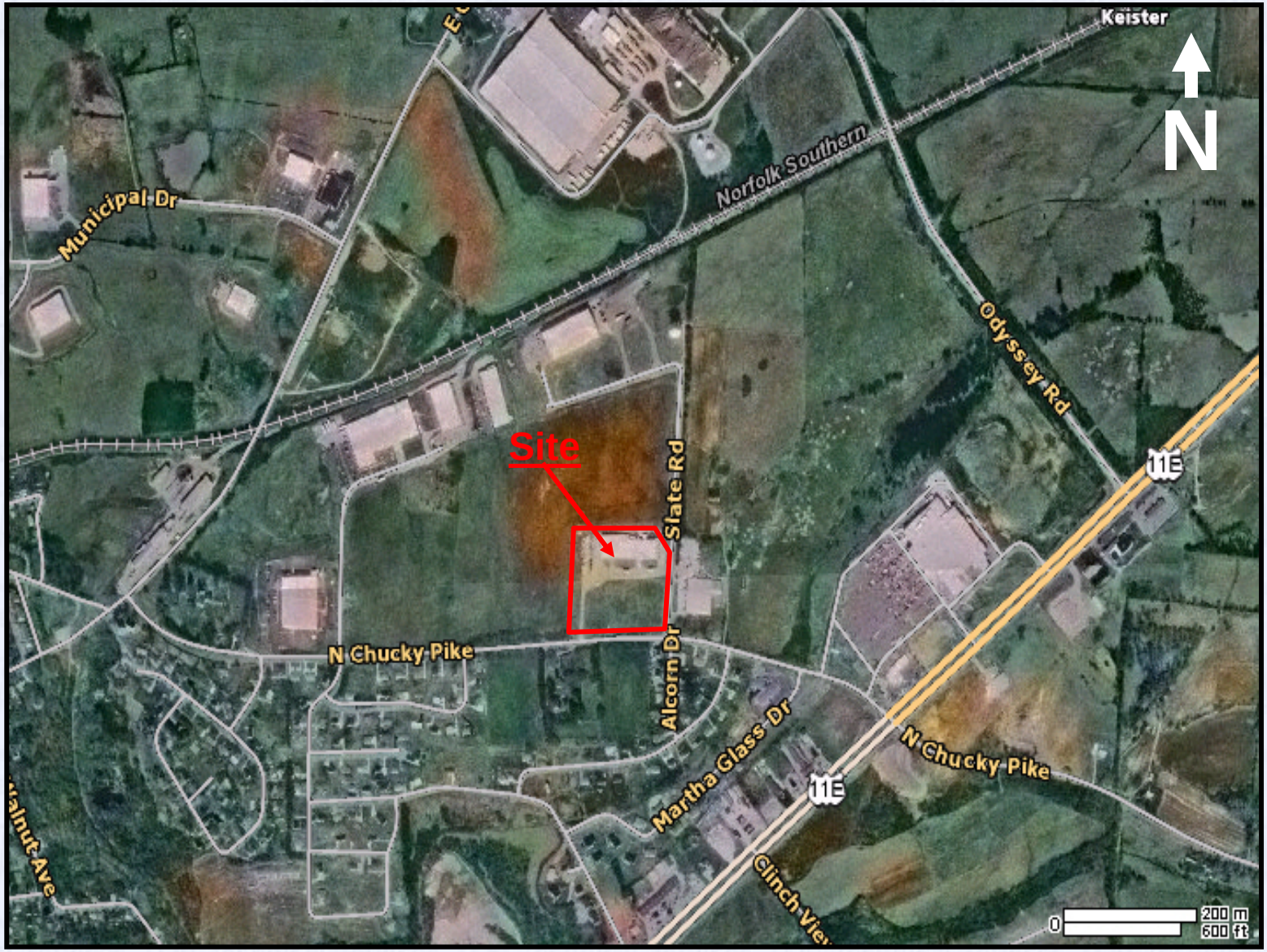
N
W
E
S

Sources:
National Map of the U.S.A.
MARIS, ESRI

Created in ArcGIS 9 using ArcMap

Prepared March 2007 by:

TVA
Economic Development
Technical Services


Keister
N
Municipal Dr
Norfolk Southern
Odyssey Rd
Site
Slate Rd
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Alcorn Dr
Martha Glass Dr
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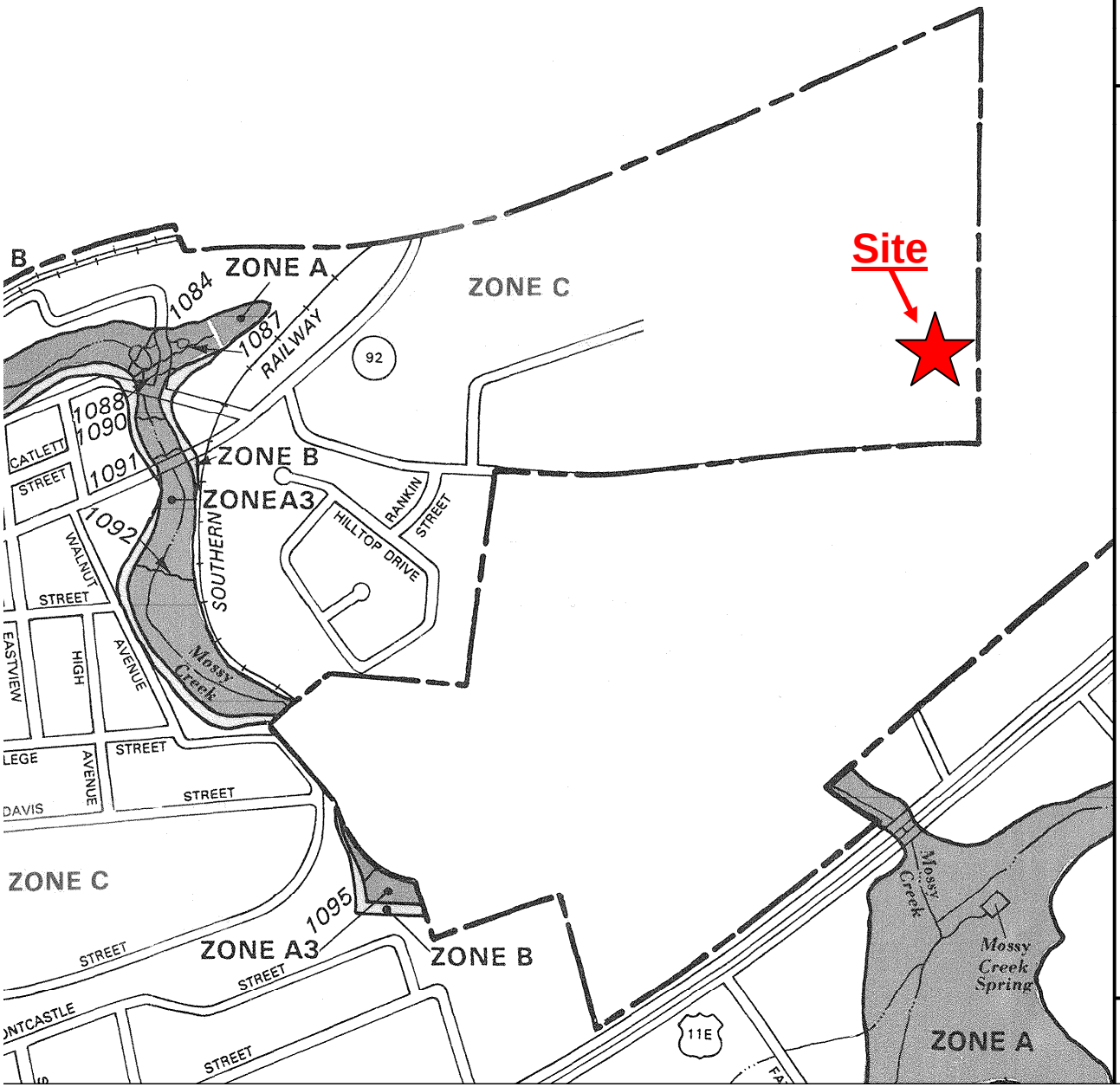

APPROXIMATE SCALE IN FEET

800 0 800

NATIONAL FLOOD INSURANCE PROGRAM

FIRM

FLOOD INSURANCE RATE MAP

TOWN OF
JEFFERSON CITY, TENNESSEE
JEFFERSON COUNTY

ONLY PANEL PRINTED

COMMUNITY-PANEL NUMBER
475430 0005 B

MAP REVISED:
MAY 22, 1981

federal emergency management agency
federal insurance administration