

FINDING OF NO SIGNIFICANT IMPACT
TENNESSEE VALLEY AUTHORITY
LOWE'S FERRY SUBDIVISION PROPOSED FLOWAGE EASEMENT
ABANDONMENT AND WATER USE FACILITIES, FORT LOUDOUN
RESERVOIR, BLOUNT COUNTY, TENNESSEE

McKeough Land Company Inc. (McKeough) is currently developing over 300 acres of private land on Fort Loudoun Reservoir in Blount County, Tennessee, for a residential community called Lowe's Ferry Subdivision. This property lies between Tennessee River miles 621.6 and 623.1 along the left-descending bank. In April 2006, McKeough requested that the Tennessee Valley Authority (TVA) and U.S. Army Corps of Engineers (USACE) approve community boat slips, dredges, and fill. In November 2006, McKeough requested that TVA abandon flowage easement rights on a portion of its property to allow the construction of houses and roads. In addition to McKeough's request, 45 waterfront lots located within the development have deeded rights to request TVA and USACE approval for individual water use facilities and shoreline stabilization. TVA's proposed action is to approve, with appropriate mitigation, the proposed community and individual water use facilities, dredges, fill, shoreline stabilization, and flowage easement abandonment. The potential effects of the proposed action have been evaluated in an Environmental Assessment (EA) prepared by TVA; this EA is incorporated by reference.

The EA evaluates three alternatives: 1) the No Action Alternative, under which the permit request and flowage easement abandonment would be denied; 2) the Applicant's Proposal – approval to place fill for nine homesites and a roadway, five individual community water use structures totaling 37 community slips, access walkways, dredges at three locations, and up to 45 individual water use facilities; and 3) the Applicant's Proposal with Mitigation – approval with mitigation measures for reducing environmental impacts.

The proposed flowage easement abandonment was the subject of a TVA public notice issued on January 22, 2007, and the proposed community facilities, dredges, and fill were the subject of a joint TVA-USACE public notice issued on February 16, 2007. Comments on these public notices were considered in the development of a draft EA, which was issued for public comment in August 2007. The comments on the draft EA are addressed in the final EA.

The EA concludes that impacts to terrestrial ecology, wetlands, recreation, prime farm lands, natural areas, and traffic from the proposed action would be insignificant. There would be no impacts to threatened or endangered species or their habitats. There would be no impact to flood control, and the proposal complies with Executive Order 11988. Under Alternative 3, mitigation measures would be implemented which would reduce the potential for adverse effects to aquatic ecology, visual resources, cultural resources, navigation, and water quality.

Mitigation and Permit Conditions

In addition to adherence to routine permit conditions, including the use of construction-related best management practices, the following mitigation measures would be required. These measures and conditions would reduce the potential for adverse environmental effects.

The following measures will be included as covenants in the modification of the deed.

- Any future facilities or equipment subject to flood damage would be located above or flood proofed to the TVA Flood Risk Profile elevation 819.5.
- Any future development proposed within the limits of the 100-year floodplain, elevation 816.9, would be consistent with the requirements of Executive Order 11988.
- All future development would be consistent with the requirements of the *TVA Flood Control Storage Loss Guideline*.
- The applicant would be required to create visual protection buffers surrounding potential historic properties located nearby. The measures would include enhancing an existing tree line, blocking the proposed development in Lots 1 to 12 from view at the Gillespie House, and limiting the height of new construction in these lots to below the level of the intervening vegetation.

The following measure will be included as a standard condition in the Section 26a permit:

- The spoil material would be disposed of and contained on designated land lying and being above the 820-foot msl contour. Every precaution would be made to prevent the reentry of the spoil material into the reservoir.

The following measures will be included as additional conditions in the Section 26a permit:

- A total of 18 spawning benches would be installed near Sites A and I.
- Material dredged would be tested for toxic materials before dredging commences. Testing of the sediment from the dredge would be required for volatile organics (benzene, toluene, ethylbenzene, total xylenes), semivolatile organics (polycyclic aromatic hydrocarbons [PAHs], etc.), polychlorinated biphenyls (PCBs), pesticides/insecticides (chlordane, lindane, heptachlor epoxide, dichlorodiphenyltrichloroethane [DDT], dieldrin, and endrin), and total metals (mercury, arsenic, copper, chromium, cadmium, lead, nickel, and zinc). If toxic materials are detected, dredging plans would be evaluated in light of the extent and level of those contaminants at the site. The level of contamination found (if any) would determine how the spoil would be handled. Dredging would not proceed without a dredging plan that guarantees that no toxic material would be released to the environment.
- All saturated spoil would be dewatered using berms, silt fencing, or other silt-control devices positioned in such a way as not to allow silt-laden water to reenter the reservoir. The method of dewatering needs prior approval from TVA.
- All uncontaminated dredged material must be removed to the previously reviewed upland site, contained in such a manner as to prevent its return to any water body or wetland, and permanently stabilized to prevent erosion.
- All color schemes for water use facility exteriors would be visually compatible with natural background colors and include dark roofs on all water use facilities.
- The lots served by the community docks would not be eligible for individual water use facilities or private docks.

- The applicant is advised in writing that Site H would front onto a commercial navigation channel and a high-use recreational boating area, and may be vulnerable to wave wash and possible collision damage from passing vessels. A built-in wave attenuation system is recommended.
- Sites A, B, and I would be located in coves with other recreational boaters and may be vulnerable to wave wash and possible collision damage. There would be no “no-wake” zones associated with these facilities.
- Lots 168, 169, 170, 171, and 228 are located on a stretch of shoreline that has been classified by TVA Navigation staff as restricted due to close proximity to the navigation channel. Dock applications for these lots would be subject to individual review by TVA Navigation staff, and dock lengths would be limited or docks may be prohibited entirely on these lots so as not to pose a safety hazard to navigation.

Conclusion and Findings

TVA has assessed the potential impacts associated with the proposed action. We conclude that with the mitigation measures to minimize adverse environmental impacts, the abandonment of flowage easement and Section 26a approval of the community and individual water use facilities, dredges, fill, and shoreline stabilization would not be a major federal action significantly affecting the environment. Accordingly, preparation of an environmental impact statement is not required.

Charles P. Nicholson for

November 30, 2007

Jon M. Loney, Senior Manager
 NEPA Policy
 Environmental Stewardship and Policy
 Tennessee Valley Authority

Date Signed