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ADOPTION AND FINDING OF NO SIGNIFICANT IMPACT TENNESSEE VALLEY AUTHORITY

POINTE MARINA, NORRIS RESERVOIR, CAMPBELL COUNTY, TENNESSEE

The Pointe Marina (applicant) is planning to construct and operate a 500-vessel capacity commercial marina, restaurant, and boat-launching ramp to meet a perceived demand for these facilities and services on Norris Reservoir, near LaFollette in Campbell County, Tennessee. The applicant's commercial marina proposal requires approval by the Tennessee Valley Authority (TVA) under Section 26a of the TVA Act, as well as Department of the Army (DA) approval from the United States Army Corps of Engineers (USACE) pursuant to Section 10 of the Rivers and Harbors Act and Section 404 of the Clean Water Act.

The proposed action is the subject of an environmental assessment (EA). USACE and TVA jointly prepared the EA to evaluate the potential environmental impacts of the applicant's proposed actions. The USACE is the lead federal agency and TVA is a cooperating agency in the preparation of this EA. The EA is incorporated herein by reference. TVA has independently reviewed the EA and found it to be adequate. TVA is therefore adopting this EA.

The decision before TVA is whether to issue Section 26a approval for the construction and operation of the proposed commercial marina facility, which would include up to 500 boat slips, a restaurant, a retail marina store, a gas dock platform, and a floating wave attenuator (to reduce wave action and minimize erosion caused by waves). The immediate upland area along the shoreline would include walkways, a public boat-launching ramp, a concrete cart path, three adjacent parking lots, an aboveground fuel storage area, and other necessary infrastructure.

TVA holds flowage easement rights over land associated with the proposed marina. These rights allow TVA to flood property to elevation 1,044 feet above mean sea level (msl). Section 26a approval would be required for the construction of the commercial marina and associated structures, placement of 74 cubic yards of concrete and riprap below normal summer pool for the boat-launching ramp, and any other disturbance located on TVA flowage easement. After completing the National Environmental Policy Act (NEPA) environmental review process for the proposed project, TVA will determine Section 26a approval, denial, or modifications with approval through Section 26a regulations, deed restrictions, and compliance with policies and guidelines. TVA would also enter into a contractual agreement to operate the marina. The agreement would include provisions that require the marina to operate in a safe manner adhering to state and federal regulations for, but not limited to, electric, fuel handling, waste disposal, and water quality. The agreement may also require provisions for rental payments based upon the associated land rights.

In accordance with NEPA, the EA evaluated three alternatives: Alternative 1, the No Action Alternative, Alternative 2, the Applicant's Proposed Action, and Alternative 3, the Applicant's Proposed Action with Added Special Conditions. Under the No Action Alternative, there would be no construction or work requiring Section 26a or DA permit approvals. No Action would occur by denial of the permit/approval or withdrawal of the permit application. The No Action Alternative would not satisfy the applicant's purpose and need. Alternative 2 is not available to TVA because it does not contain TVA's required conditions for reducing impacts. Under Alternative 3, USACE and TVA would issue their respective permits and approvals for the

applicant's commercial marina proposal to construct and operate up to 500 boat slips and associated marina facilities. The Action Alternatives differ in that Alternative 3 consists of the inclusion of special permit conditions developed for incorporation to the Section 26a and DA permits to further minimize/mitigate unavoidable impacts to the maximum extent practicable.

TVA's preferred alternative is Alternative 3, Applicant's Proposed Action with Added Special Conditions, because it provides the safeguards necessary to reduce adverse impacts to water-related recreation, wetlands, and historic and cultural resources while allowing the applicant's proposed commercial marina development to proceed.

Under Alternative 3, impacts to terrestrial ecology would be insignificant. There would be no impacts to endangered or threatened species or their habitats, and U.S. Fish and Wildlife Service concurred with this determination. TVA consulted with the Tennessee Historical Commission (THC) concerning impacts to cultural resources, and THC concurred that the proposed action will have no adverse impact on such resources with the implementation of a preservation covenant. In addition, appropriate recognized Native American tribes were consulted concerning the proposed undertaking. TVA received no objection from any of the tribes.

Under Alternative 3, impacts to water quality and the aquatic environment would be minor with the implementation of Section 26a and DA permit conditions as described in Section 2.4 of the EA requiring the applicant to perform all work in a manner that would prevent violations of water quality standards. Impacts to aquatic life would be minor and temporary. The proposed boat-launching ramp would result in no loss of flood control storage and is considered a repetitive action in the floodplain. The proposed project complies with the TVA Flood Control Storage Loss Guideline and Executive Order 11988 on Floodplain Management.

A small scrub-shrub wetland (less than 0.10 acre) occurs in the vicinity of the proposed boat-launching ramp. Under Alternative 3, a permit condition to avoid this wetland ensures wetlands are not disturbed by construction activities, operations, and/or future development. With the implementation of this permit condition, wetland impacts would be avoided. This proposal is consistent with Executive Order 11990, Protection of Wetlands.

Development of the proposed commercial marina would have minor beneficial impacts on public recreation in the area and provide additional opportunities for public access to Norris Reservoir. However, the operation of the proposed marina would also lead to increased recreational boating activity in an area that currently receives moderate to heavy boating use. In order to reduce potential water-related recreation impacts, under Alternative 3, Section 26a permit approval will be phased and initially would allow for construction and operation of 300 boat slips. Approval of 200 additional slips will be dependent on the results of additional boating capacity and safety assessments to be conducted by TVA after the initial 300 slips are completed. Under Alternative 3, impacts to water-related recreation from the construction of the initial 300 slips would be insignificant. To reduce potential navigation impacts and the creation of hazards, permit approvals would be subject to standard conditions described in Section 2.4 of the EA. With the implementation of standard conditions, navigation impacts would be minimal.

The proposed project under Alternative 3 would alter the existing use of land and the visual character of the waterfront and visual impacts to local residents, boaters, and campers are anticipated. However, the anticipated changes are compatible with the mix of commercial, recreational, and residential land uses on the properties in the vicinity of the proposed marina. Additionally, in order to reduce visual impacts to the area, the applicant's plans incorporate

design characteristics involving use of earth tones and neutral colors to better blend with the natural environment. Because the proposed marina would offer similar views to boaters as other marinas and there are an abundance of coves with similar natural views throughout the reservoir, impacts to visual resources associated with the proposed action would be insignificant.

Under Alternative 3, the proposed marina would potentially have minor local beneficial socioeconomic impacts. However overall economic impacts would likely be smaller if the marina does not reach complete build out of 500 slips as proposed. The proposed marina would not disproportionately impact any minority or low-income group. The USACE and TVA have concluded that the proposal would satisfy the requirements of Executive Order 12898, Environmental Justice.

Noise levels would increase slightly during project construction activities. Long-term, intermittent noise increases due to the anticipated increase in motorized boat traffic would occur. Short- and long-term noise impacts would be minor to moderate. Roadway traffic impacts are expected to be minor because the existing roadways would be capable of accommodating the anticipated traffic increases. Approval of the proposed marina would not result in significant impacts to the roadway network and no major traffic impacts are expected.

The USACE and TVA issued Joint Public Notice (JPN) 09-03 to advertise the proposed action and to solicit comments from the public and local, state, and federal agencies on the proposal. USACE and TVA released a draft EA and substantive comments have been considered and responded to in the final EA as appropriate.

Mitigation and Special Permit Conditions

TVA will require adherence to the routine environmental protection measures listed in the EA to reduce or avoid adverse impacts. In addition to adherence to routine permit conditions, including the use of construction-related best management practices, the following nonroutine mitigation measures would be required. These measures and conditions would reduce the potential for adverse environmental effects and would be included as additional special conditions in the Section 26a permit:

- In order to reduce water quality impacts, the applicant must stabilize the marina shoreline if TVA or USACE determine that more than a normal amount of erosion is observed during on-site shoreline assessments. TVA staff will conduct annual on-site visits where shoreline conditions will be evaluated.
- Any excavation, grading, or deposit of fill below the elevation 1,020 feet msl contour will be performed during the periods of winter drawdown of Norris Reservoir to minimize adverse effects on aquatic life and water quality.
- In order to avoid wetland impacts, the applicant must avoid the delineated wetland area so the wetlands are not disturbed by construction activities, operations, and/or future development.
- In order to reduce water-related recreation impacts, Section 26a permit approval will be in two phases and will initially allow for construction and operation of 300 boat slips. Approval of 200 additional slips will be dependent on the results of additional boating capacity and safety assessments to be conducted by TVA after the initial 300 slips are completed.

- In order to reduce potential impacts to archaeological resources, a commitment will be placed in the Section 26a permit requiring the applicant (if purchasing the property) to place a preservation covenant in his deed, which will include a 50-foot buffer surrounding the site.

Mitigation measures and special permit conditions are described in more detail in Section 2.4 of the EA.

Conclusion and Findings

Based on the findings listed above and the analyses in the EA, we conclude that the issuance of Section 26a approval with special permit conditions for the proposed commercial marina would not be a major federal action significantly affecting the environment. Accordingly, an environmental impact statement is not required. This finding of no significant impact is contingent upon adherence to the permit conditions and mitigation measures described above.



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Date Signed