

FINDING OF NO SIGNIFICANT IMPACT
TENNESSEE VALLEY AUTHORITY
PROPOSED PRIVATE MARINA, ASSOCIATED FACILITIES, AND FILL FOR
TENNESSEE NATIONAL, WATTS BAR RESERVOIR,
LOUDON COUNTY, TENNESSEE

Tennessee National, LLC (National), is currently developing over 1,450 acres of private land on Watts Bar Reservoir in Loudon County, Tennessee, for a residential community called Tennessee National Waterfront Golf Community. This property lies between Tennessee River miles 580 and 583.6 along the left-descending bank. In July 2007, National requested that the Tennessee Valley Authority (TVA) and U.S. Army Corps of Engineers (USACE) approve the construction of community boat slips, a private launching ramp, two courtesy piers, one transient pier, shoreline stabilization, a boardwalk, the excavation of 70,900 cubic yards of material from the reservoir bottom, the establishment of harbor limits, and a pavilion, a parking area, and underground electric/water lines located on property where TVA owns a flowage easement. In April 2008, National revised the request to construct a private marina instead of community boat slips. National also requested approval to place 13,500 cubic yards of fill on TVA flowage easement property to construct a storm water retention basin. TVA's proposed action is to approve, with appropriate mitigation, these activities under Section 26a of the TVA Act. The potential effects of the proposed action have been evaluated in an Environmental Assessment (EA) prepared by USACE; TVA was a cooperating agency in the preparation of this EA, which is incorporated by reference.

The EA evaluated three alternatives: 1) No Action, under which the permit request would be denied by TVA and USACE or withdrawn by National, 2) The Applicant's Proposed Action, under which TVA and USACE would approve the construction of the proposed private marina, one private launching ramp, one transient pier, excavation of 70,900 cubic yards of material below normal summer pool, shoreline stabilization, a boardwalk, the establishment of harbor limits, and a pavilion, a parking area, and the placement of 13,500 cubic yards of fill located on TVA flowage easement, and 3) The Applicant's Proposed Action with Added Special Conditions, under which potential impacts to the environment would be further minimized with the inclusion of special conditions.

The proposal was the subject of a Joint Public Notice issued by USACE and TVA in December 2007. In a letter dated January 10, 2008, Tennessee Wildlife Resources Agency (TWRA) recommended the installation of a floating silt boom around the dredge area to minimize sediment suspension in the water column. The U.S. Fish and Wildlife Service (USFWS) commented in a letter dated January 11, 2008, that no federally listed or proposed endangered or threatened species were known to occur in the project impact area and obligations under Section 7 of the *Endangered Species Act* had been fulfilled. USFWS also recommended the following measures: the dredged material be placed in a contained area above the 100-year floodplain; a floating silt boom be installed and properly maintained during dredging activities; and spawning benches be installed along the shoreline to offset potential loss of shallow-water habitat due to the dredging activities. National has agreed to implement the recommendations of TWRA and USFWS.

The Tennessee Historical Commission acknowledged by letter dated December 19, 2007, that TVA was the lead federal agency for compliance with Section 106 of the *National Historic Preservation Act* (NHPA). The proposed action would affect archaeological resources eligible for or listed in the National Register of Historic Places (NRHP). TVA, the Tennessee State Historic Preservation Officer, and National have executed a Memorandum of Agreement (MOA) to address compliance with the NHPA. With adherence to the terms of this MOA, TVA has determined that the adverse effects of the proposed action on archaeological resources would be mitigated through data recovery. No historic structures would be affected, and the proposed action complies with Section 106 of the NHPA.

The EA concludes that impacts from the proposed action to aesthetics, economics, flood control, land use, noise, recreation, traffic, and wildlife habitat would be insignificant. There would be no net loss of flood storage capacity, and the proposal is consistent with the TVA Flood Control Storage Loss Guideline and Executive Order 11988 on floodplain management. Air quality, environmental justice, navigation, wetlands, and wild and scenic rivers would not be affected. The proposed action would impact water quality and aquatic life. These impacts would be minimized by implementation of the mitigation measures listed below and would be insignificant. The Tennessee Department of Environment and Conservation (TDEC) issued Water Quality Certifications under Section 401(a)(1) of the Clean Water Act on February 3, 2005, and March 31, 2008.

Mitigation and Permit Conditions

In addition to adherence to routine permit conditions, including the use of construction-related Best Management Practices (BMPs), the following mitigation measures would be required and included as additional conditions in the Section 26a permit. These measures would reduce the potential for adverse environmental effects.

- Tennessee National will install 106 spawning benches under the direction of TWRA Region IV fisheries personnel.
- Tennessee National will comply with the stipulations of the executed Memorandum of Agreement on archaeological resources.

Conclusion and Findings

TVA has independently reviewed the USACE EA and concluded that it adequately assesses the environmental impacts of the proposed action. TVA is therefore adopting this EA. TVA has determined that the issuance of the Section 26a permit for the proposed facilities and fill, with adherence to the mitigation and permit conditions described above, would not be a major federal action significantly affecting the environment. Accordingly, preparation of an environmental impact statement is not required.

Original signed by

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Date Signed