

REVISED FINDING OF NO SIGNIFICANT IMPACT
TENNESSEE VALLEY AUTHORITY
PROPOSAL TO RECONFIGURE PRIVATE MARINA FOR
TENNESSEE NATIONAL, WATTS BAR RESERVOIR
LOUDON COUNTY, TENNESSEE

Tennessee National LLC is developing over 1,450 acres of private land on Watts Bar Reservoir in Loudon County, Tennessee, for a residential community. This property lies between Tennessee River miles 580 and 583.6 along the left-descending bank. In July 2007, Tennessee National requested that the Tennessee Valley Authority (TVA) and United States 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 dredging of 70,900 cubic yards of material from the reservoir bottom, the establishment of harbor limits, and a pavilion, a parking area, and underground utilities (electric and water lines) on TVA flowage easement property. These facilities and activities would provide water-based recreation opportunities for residents of the Tennessee National development.

In April 2008, Tennessee National revised its 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. The potential effects of the proposed action were evaluated in a May 2008 environmental assessment (EA) prepared by USACE; TVA was a cooperating agency in the preparation of this EA. On June 18, 2008, TVA adopted this EA and issued a finding of no significant impact (FONSI) for the construction of a private marina, dredge, and fill. These documents are incorporated by reference.

The May 2008 USACE EA evaluated the effects of three alternatives. 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, was the TVA adopted alternative. TVA issued the Section 26a approval of the proposed actions on June 30, 2008.

In June 2010, Tennessee National submitted a Section 26a application to TVA requesting approval to reconfigure the previously approved harbor limits and dock design for its private marina (see Attachment A). The proposed changes from the approved marina design are as follows:

- The maximum lakeward distance of the dock facilities would be extended from 171 feet from the normal summer pool shoreline at elevation 741 mean sea level (msl) to 252 feet.
- The total number of floating covered boat slips would be reduced from 277 to 268.
- The total linear frontage of the harbor limits would be reduced from 3,100 feet to 2,100 feet.

- The total volume of dredge material would be reduced from 70,900 cubic yards to 49,000 cubic yards.
- The square footage of harbor limits would be slightly increased from approximately 480,000 square feet to 500,000 square feet.
- The total length of shoreline stabilization would increase from 3,200 feet to 4,000 feet.

The installation of two concrete boat-launching ramps, covered picnic shelters, sewage pumping station, underground utilities, land-based walkway, road/driveway to serve water use facilities, storm water retention basin, and fuel storage tanks included in the original proposal would remain a part of this proposal. Potential effects of implementation of these components of the project were previously assessed in the 2008 EA.

The purpose of the revised project is to provide water recreation opportunities for the growing residential community. The proposed project would affect land owned by Tennessee National, as well as land over which TVA holds a flowage easement. Because the proposed marina and associated facilities would constitute a permanent obstruction, approval under Section 26a of the TVA Act is required.

TVA proposes to approve, with appropriate mitigation, construction and operation of the reconfigured marina and associated facilities under Section 26a of the TVA Act. TVA has considered the potential environmental effects of construction and operation of the revised facilities and is issuing this revised FONSI. If a new permit is approved, it will replace and supersede the Section 26a approval issued in 2008.

Impacts Assessment

The revisions requested by Tennessee National would result in an 800-foot increase in the length of shoreline to be stabilized with riprap, a reconfiguration of the marina to a more compact design that extends farther from the shoreline, a small reduction in the number of marina boat slips, and a reduction in the area to be dredged. These changes would have little to no effects on aesthetics, economics, flood control, land use, noise, recreation, traffic, and wildlife habitat and the conclusions in the 2008 EA regarding these resources remain valid. 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, wetlands, and Wild and Scenic Rivers would not be affected. The proposed actions would not impact any threatened or endangered species or their habitats. Further review of the new proposal suggested it could impact water quality, aquatic life, navigation, and cultural resources (see Categorical Exclusion Checklist 23328 in Attachment B).

The reconfigured harbor limits reduce the area and the volume of dredging compared to the harbor limits evaluated in the EA; consequently, implementation of the revised proposal is expected to reduce the potential for impacts to water quality and aquatic life. Because of the reconfigured harbor area, shoreline stabilization associated with the marina design and harbor would decrease by 800 linear feet. However, the addition of approximately 2,000 feet of riprap on Bogart Island (also known as Matlock Bend Island) would increase the total shoreline stabilization to approximately 4,000 feet. These impacts would be minimized by implementation of the mitigation measures listed below and, therefore, effects would be insignificant. The Tennessee Department of Environment and Conservation (TDEC), Division of Water Pollution

Control, issued a National Pollution Discharge Elimination System permit Construction General Permit effective on February 3, 2005, which was due to expire on May 30, 2010. Upon Tennessee National's application on May 3, 2010, TDEC extended the expiration date for activities under this permit (TNR130973) until May 23, 2016. TDEC approval of modifications to the facility is pending; this includes consideration of the additional shoreline stabilization. In addition to special mitigation measures indicated below, TVA approval would be based on the use of Section 26a Standard and General Conditions including implementing appropriate best management practices (BMPs) to minimized water quality effects. Implementation of the project with anticipated TDEC permit conditions would further minimize impacts to water quality and aquatic life.

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 original 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 (TN SHPO), and Tennessee National have executed a memorandum of agreement (MOA) to address compliance with the NHPA. With adherence to the stipulations of this MOA, as well as implementation of the mitigation measures listed below, TVA determined that the proposed action would have no adverse effects on archaeological resources. No historic structures would be affected by the original proposed action, which complied with Section 106 of the NHPA. By letter dated May 31, 2011 (Attachment C), the TN SHPO concurred with TVA's determination that the project, as currently proposed, will not adversely affect any property that is eligible for listing in the NRHP.

The proposed changes to the marina include extending the reconfigured harbor limits and boat slips to within 119 feet of Bogart Island. This island contains an archaeological site eligible for listing in the NRHP. The footprint of the proposed marina would not directly affect any historic properties; however, the increase in boat traffic would exacerbate the shoreline erosion occurring along the south side of the island and the archaeological site. The project, as currently proposed, could adversely affect this shoreline and, thus, the archaeological site. In order to avoid this effect, TVA is proposing that the applicant stabilize approximately 2,000 feet of shoreline along the south side of Bogart Island before construction of the marina begins. The proposed stabilization would consist of placing Class II riprap along the eroding shoreline. Implementation of the proposed stabilization treatment plan would be subject to the conditions in the 2008 EA and included in the mitigation section below.

The proposed shoreline stabilization would be beneficial to the preservation of intact archaeological resources and would avoid adverse effects that would occur as a result of wave or prop wash from nearby boats, including those using the closer reconfigured marina harbor. Furthermore, with the proposed conditions, the island shoreline stabilization would not adversely affect cultural resources. As previously indicated, by letter dated May 31, 2011, the TN SHPO indicated it had no objection to the proposed changes to the marina (Attachment C).

The previous EA required that the original marina harbor limits not extend more than one-third of the distance to Bogart Island. However, a reevaluation of the bathymetry surveys indicates that the redesigned marina and harbor limits would still have enough water depth to allow year-round passage of other recreational boats between the marina harbor and Bogart Island. Therefore, there will be no obstruction to public navigation as it relates to potentially reduced safety, and the one-third extension limitation will no longer be a requirement. Additionally, the Tennessee River (Watts Bar Reservoir) main channel lies on the northeast side of the island,

and the proposed marina facilities would not interfere with commercial navigation. As long as the facilities are well lit and no portion of a proposed no-wake zone extends into the main navigation channel, they would not interfere with navigation. Issuance of the requested permit is contingent upon the conditions in the May 2008 EA, the 2008 TVA FONSI, and measures included in the Mitigation and Permit Conditions section below.

Public and Intergovernmental Review

The original proposal was the subject of a joint public notice issued by USACE and TVA in December 2007 and review by state and federal agencies. The results of these reviews are described in the 2008 EA. On January 24, 2011, TVA issued a public notice in local newspapers and on the TVA Web site, describing the proposed changes and requesting comments (see Attachment D). TVA received no comments on the proposal.

Mitigation and Permit Conditions

To address potential environmental impacts from the proposed project, USACE has imposed general and special conditions in its permit, as described in the EA. The TVA Section 26a approval would require Tennessee National to implement BMPs and other measures as well as to comply with general and standard conditions of the TVA Section 26a Permit. TVA approval is also contingent upon adherence to unfulfilled commitments in the 2008 TVA FONSI. Further, the TVA Section 26a Permit would be conditioned to require Tennessee National to adhere to the following additional special conditions and requirements:

1. None of the boat slips will extend outside the harbor limits shown on Attachment A, at the normal summer pool elevation 741 feet msl. There will be no additional future lakeward expansion permitted by TVA.
2. The applicant is advised in writing that the facilities will be adjacent to a commercial navigation channel at a location that makes the facilities and any moored boats vulnerable to wave wash and possible collision damage from passing vessels.
3. No reshaping of the cut banks or excavation of any kind of the Bogart Island shoreline would be permitted; riprap would be placed on the existing banks, along the toe of the cut bank.
4. No archaeological deposits will be disturbed.

Conclusion and Findings

TVA has reviewed the proposed changes in design of the prior approved marina and reevaluated potential effects in light of its previous FONSI. TVA concludes that it has adequately reassessed the environmental impacts of the revised proposed action. Based on the above analysis of potential effects, as described, we conclude that approval under Section 26a of the revised proposal with adherence to the mitigation measures described above would not be a major federal action significantly affecting the environment. The previous FONSI is still valid. Accordingly, preparation of an environmental impact statement is not required.



August 19, 2011

Susan J. Kelly, Senior Manager
Federal Determinations
Environmental Permits and Compliance
Tennessee Valley Authority

Date Signed

Attachments

- A. New Marina Design
- B. Categorical Exclusion Checklists 16592 and 23880
- C. TN SHPO Letter
- D. January 2011 TVA Public Notice