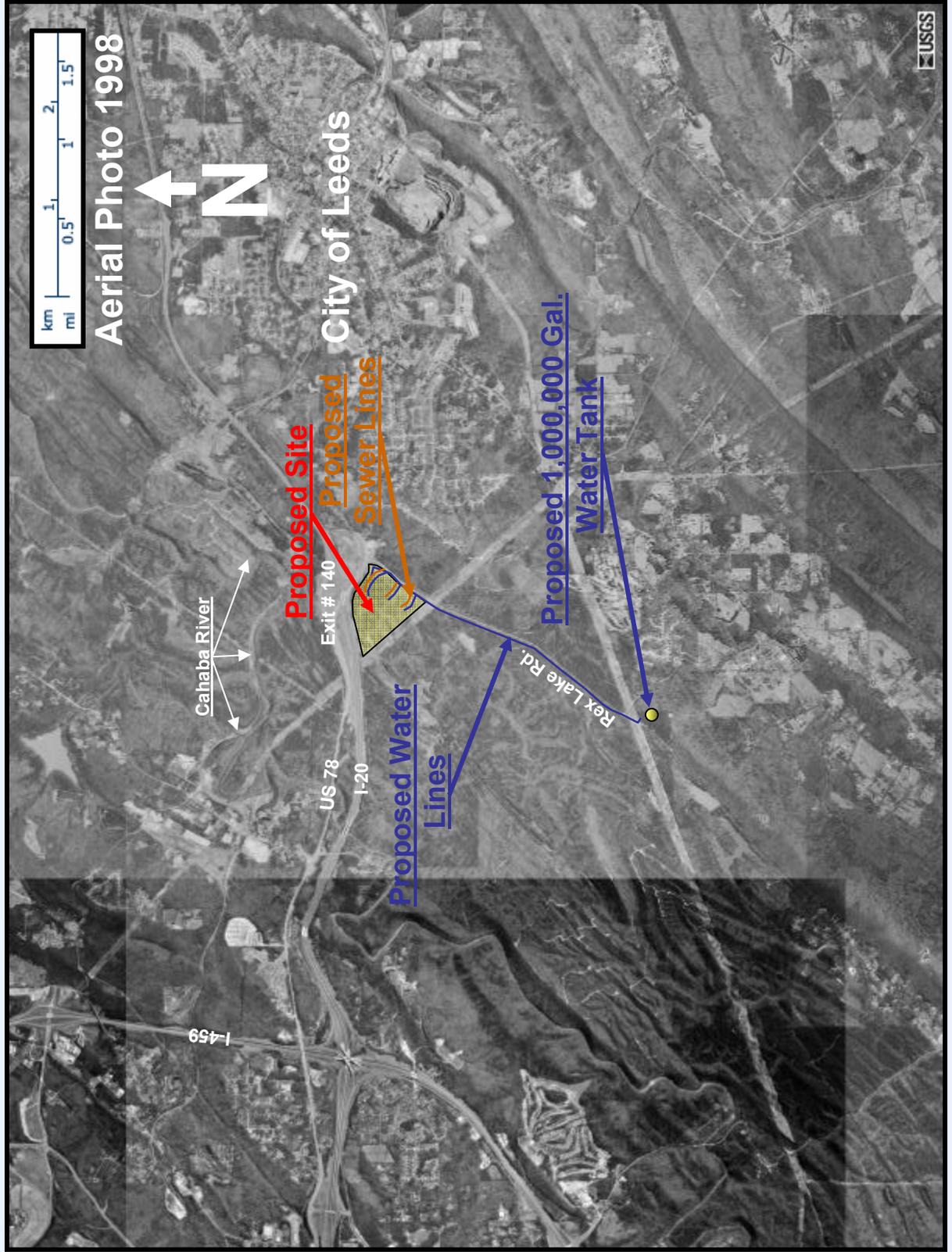


Attachments

Aerial Photograph

EDA EA

EDA Exhibit IV.A Revised Environmental Narrative





U.S. DEPARTMENT OF COMMERCE
Economic Development Administration
The Summit Building
401 West Peachtree St., NW
Suite 1820
Atlanta, Georgia 30308-3510

ENVIRONMENTAL ASSESSMENT

Applicant: City of Leeds, Leeds Water Works Board and Jefferson County, AL
Project: Water and Sewer Improvements
Location: City of Leeds, Jefferson County, AL
EDA Project No.: 04-79-05666

I. Project Description. The applicants propose to construct a 1 million gallon ground level water storage tank, 14,400 linear feet (L.F.) of 24 inch and 5000 L.F. of 12 inch ductile iron water pipe and 3,300 L.F. of eight inch ductile iron gravity sewer pipe and appurtenances to serve a proposed commercial development in close proximity to the I-20/U.S. Highway 78 interchange. The proposed 100 acre commercial development would include a Bass Pro Shops (BPS) store, a BPS Hotel, and Golden Rule Barbeque Restaurant. There would also be a public park. The projects would also serve the existing businesses that are located near the 100 acre site. There are no other known entities that would benefit from the combined projects at this time. The Economic Development Administration (EDA) proposes to provide a grant of \$838,500 to the City of Leeds for half the cost of the water and sewer lines. The remainder of the cost of the water and sewer lines would be paid by the City of Leeds Water Works Board through the sale of \$838,500 of revenue bonds. The Appalachian Regional Commission (ARC) proposes to provide a grant of \$300,000 to the City of Leeds for half the cost of the water storage tank. The Water Works Board would pay the remainder of the cost of the tank through the sale of \$300,000 of revenue bonds. The Tennessee Valley Authority (TVA) is proposing to administer the ARC grant

The EDA is the lead agency and TVA is a cooperating agency in developing this Environmental Assessment.

II. Purpose and Need. Between 1965 and 1985, the city of Leeds was very successful in attracting new manufacturing businesses. However, as the national and regional economies became more reliant upon service sector jobs, Leeds found itself in a position of being overly dependent upon declining manufacturing businesses. Over the last 10 years Leeds has lost 915 jobs as the result of seven plant closings. Environmental contamination problems created by the Interstate Lead Company (ILCO) forced the U.S. EPA to take legal action against the firm. The contaminated ILCO site was eventually reclaimed by the EPA, but this protracted problem gave the community a poor business attraction image. As a result, most of the new commercial development that was attracted to the area elected to locate in the adjacent community of Moody, which prevented the city of Leeds from participating in the area's expanding service sector economy that has been responsible for most of the region's recent economic growth. The proposed development would enable the city to diversify its economy by attracting new service sector jobs.

The area of the proposed water and sewer projects has a great deal of economic development potential due to its close proximity to the I-20/U.S. Highway 78 interchange (I-20 exit 140), which provides excellent highway access to the area's entire interstate highway network.

However, development at the interchange has been limited because most of this land is owned by the United States Steel Company (USS), and USS has been unwilling to sell this property. Until recently, commercial development near the interchange consisted of only Chevron and Exxon convenience stores/ gasoline stations and a 44 room Guest House Motel. However, in the last few years, construction of the \$55 million Barber Motor Speedway just to the south of the site of the proposed development has transformed the area into a very desirable location for tourism and related commercial activities.

Following the development of the speedway, USS has worked with the city to attract BPS and is presently prepared to sell an approximately 100-acre site at the interchange for it and other developments. Presently, the known committed developments at the 100-acre site include the BPS store, a BPS Hotel, and Golden Rule Barbeque Restaurant. These businesses are expected to occupy 60-80 acres with the remaining area to be developed by the City of Leeds as a park.

The purpose of the agency involvement is to provide additional infrastructure needed to support the proposed commercial development. The area around the interchange is currently served by an 8 inch water main which provides required domestic and fire flow water. The interchange is also served by an existing 24 inch gravity sewer, a 600 gallons per minute (GPM) sewage pumping station and an 8 inch force main that flows to the sewage treatment plant. The water and sewer lines proposed in the EDA project and companion water storage tank project are essential for the commercial development proposed for the 100 acre site. The maximum capacity of the 8 inch water main currently serving the site is 500 GPM. The peak water usage for the commercial development benefiting from EDA's investment is estimated at 600 GPM with a fire flow demand of 1800 GPM with a minimum residual pressure of 45 pounds per square inch (psi). The additional water storage tank and 24 inch line from the tank to the interchange are required to adequately serve this commercial development with water for fire flow and peak domestic usage. Friction losses and pressure drops in the 2.6 miles of water line from the tank along Rex Lake Road to the interchange during fire flow events require that the diameter of the water line be 24 inches.

III. Alternatives Including the Proposed Action.

The city and its consultants determined the locations for the water storage tank, water main, and sewer lines as described below. The selected locations were chosen because they best met the technical requirements for these types of facilities with minimal environmental impacts. Alternative locations would cost prohibitively more and have greater environmental impacts than the preferred locations.

- A. **Water Tank Site Selection** - Spencer Engineering (Engineer) determined that the overflow elevation for the new water tank must be set at 875 feet above sea level. Since there was adequate land available at the site of the present tank and Leeds Water Works Board owns the property, it was determined that that would be the location of the new tank as well. Both tanks would have an overflow elevation of 875 feet. Alternative locations would cost more and have more environmental impacts.
- B. **24 inch Water Main Route** - The Engineer chose the proposed route of the 24 inch water main to be placed along the water tank access road then along Rex Lake Road as the most prudent and cost-effective alternative. This pipeline route would be placed within existing road right-of-ways and would not disturb any undisturbed

areas. An alternative pipeline route is a more direct route. It would go north from the tank site to Rex Lake Road, then in the existing right-of-ways on to the commercial site. This route would require clearing of approximately 1800 feet of undisturbed woodland. Based on this information, the shorter route was not selected for detailed evaluation.

- C. **8 inch Sewer Line Route** - The 8-inch sewer line would be constructed in road rights-of-way within the 100 acre commercial site and will tap on to an existing 24 inch sanitary sewer running along Rex Lake Road. Because it would be constructed in already disturbed areas, and alternative routes would cost more and have more impacts, no alternative routes were considered.

- D. **The Bass Pro Shop Site** – BPS business strategy calls for the selection of new store sites to be in areas that are consistent with and that compliment the firm’s mission to sell a wide variety of outdoor recreational products. The selection of the 100 acre commercial site met its business strategy and would be an attractive site for their customers. The BPS would locate on 75 of the 100 acres. The city of Leeds is willing to develop the remaining 25 acres into a park which would enable BPS to use the proposed park to teach customers various fishing techniques and to demonstrate other company products. BPS officials did identify other potential sites. However, those sites did not conform to the firm’s business strategy of locating its stores in areas that will be attractive to BPS customers. The adjacent Barber Motor Sports Park is a complementary use from a marketing standpoint. Therefore, the Leeds site met the firm’s store location criteria and BPS officials did not investigate any other sites once this one was selected.

Based on the screening process for the infrastructure improvements described by the city of Leeds, and after considering public comments, the agencies did not identify any alternatives that would better satisfy the purpose. Accordingly, this environmental assessment evaluates two alternatives in detail, action and no action. Under no action, EDA and TVA would not provide funds to assist with infrastructure development. If the city was not able to obtain alternative funding, the 100-acre site would remain undeveloped in the short term. The city would lose this economic development opportunity. Under the action alternative, funds for infrastructure would be provided and the site would likely be developed for retail and city park uses.

IV. Affected Environment and Area Description. The topography of the area varies from rolling to rough. Rex Lake Road runs along a valley that is parallel to and east of Pine Ridge. Elevations along the route of the water line vary from 840 feet at the tank site to approximately 600 feet to where it ends just north of U. S. Highway 78. The 24 inch water line begins at the tank site which is approximately 1200 feet east of Rex Lake Road. Most of the 24 inch water line would be constructed within the 80 foot right-of way of Rex Lake Road which intersects U. S. Highway 78 approximately 1300 feet south of the I-20 interchange. The 100 acre commercial site, within the city limits of Leeds, is bounded on the south by Rex Lake Road, on the west by high voltage power line right-of-way, on the north by Interstate 20 and on the east by U. S. Highway 78. The site consists of rolling hills with elevations ranging from 740 feet to 580 feet. The northwest corner of the commercial site was mined for coal between the 1930’s and 1950’s and interstate was constructed along the north boundary. There is undeveloped acreage owned by USS both north of I-20 between I-20 and the Cahaba River and south of I-20 that could potentially be served by the existing 24 inch sewer line and the water system improvements

provided by this investment. No unique or uncommon natural communities are found on the site to be developed.

V. Environmental Resources Considered. The following filed materials were used in the preparation of this assessment:

- * Exhibit 1 Project Narrative

- * Exhibit II.A Preliminary Engineering Report
- * Exhibit IV.A Environmental Narrative original submission

- * Exhibit IV.A Environmental Narrative revised submission

- * Exhibit IV.A.2.a. Federal Emergency Management Agency (FEMA) Flood Plain Map; Topographic Map-Leeds Triangle

- * Exhibit IV.A.2.b Aerial Photo – Regional Planning Commission of Greater Birmingham (RPC) Fig. 1

- * Exhibit IV.A.9.c Applicant Certification Clause, EDA Form ED-536, -All Responses Negative

- * Exhibit IV.B Letter from Regional Planning Council of Greater Birmingham Alabama Historical Commission (State Historic Preservation Office) requesting review of proposed development. Clearance received in August 14, 2006 letter from Alabama Historical Commission

- * Letter from U.S. Army Corps of Engineers dated March 22, 2007 stating no 404 permit would be needed for removing beaver dam.

- * Letter from the Tennessee Valley Authority dated December 13, 2006 requesting cooperating agency status on this environmental assessment.

- * Current zoning map for the city of Leeds

- * Letter from Bass Pro Shops dated October 10, 2006 stating commitment to comply with all applicable, federal, state, and local permits regarding storm water control related to their planned development so as to help minimize any potential impacts on surrounding properties.

- * Conversation on August 23 , 2006 with Keith Strickland of Goodwyn, Mills and Cawood , Inc. confirming status of project to improve roads adjacent to Bass Pro site.

- * Letter from Alabama Historical Commission dated August 14, 2006 to Bill Morris of Leeds Water Works Board stating that the activities in the proposed project will not have effect on any known cultural resources listed on or eligible for the National Historical Register of Historical Places.

- * Letter from Jack Wright of the RPCGB dated July 27, 2006 clarifying storm-water construction permit requirements for construction within the city limits of Leeds.

- * Letter from the RPC dated September 9. 2005 with U. S. Army Corps of Engineers stamp dated July 24, 2006 noting that a Department of Army permit will not be required for the project.

- * Letter from Alabama Department of Environmental Management (ADEM) dated July 20, 2006 to Jack Wright of RPCGB stating concurrence with the project based on present sewer collection and treatment system. Letter further states ADEM requires a storm-water construction permit for any development disturbing more than 1 acre.
- * Birmingham News article dated July 11, 2006, about Jefferson County delaying action on providing line of credit to city of Leeds based on Cahaba River Society (CRS) concern that funds obtained by the city of Leeds obtained through a bond backed by Jefferson County line of credit could be used to finance development near the Cahaba River. Article cites CRS concern that the public should participate in what happens around the river and more than one week is needed for public comment.
- * City of Leeds letter dated June 22, 2006 to Atlanta Regional Office of EDA (ATRO) forwarding amendments to the Engineering Report, Exhibit II.A, and to the Environmental Narrative, Exhibit IV A, reconfirming that the only committed development is the Bass Pro Shop/hotel and Golden Rule Bar-B-Q restaurant, and revealing topics discussed with Beth Stewart and Tricia Sheets of the CRS when the Mayor and city attorney met with them on May 1, 2006.
- * City of Leeds letter dated May 9, 2006 to ATRO providing amendments to the Engineering Report (Exhibit II.A of application) and to the Environmental Narrative revised May 5, 2006, (Exhibit IV A of application) stating that only committed developments to be served by the water system improvements are the Bass Pro Shop/hotel and Golden Rule Bar-B-Q restaurant. Letter further stated that Mayor and city attorney had met with Beth Stewart and Tricia Sheets of the CRS and outlined project parameters by the EDA clarifying and explaining Phases I, II and III of the proposed development that could be supported by the improvements planned in the proposed EDA investment.
- * ATRO letter dated March 29, 2006 to Mayor Whitfield of the city of Leeds confirming April 6 meeting at the Atlanta Regional Office.
- * City of Leeds letter dated March 17, 2006 to ATRO clarifying and explaining Phases I, II and III of the proposed development that could be supported by the improvements planned in the proposed EDA investment.
- * Interoffice memorandum dated February 13, 2006 prepared by Asa Williams, EDA Regional Environmental Officer, with summary of his separate meetings on February 9 with Mayor Whitefield, city of Leeds and Jeff Ray Executive Director of Barber Vintage Motorsports Museum and Tricia Sheets and Beth Stewart of the CRS.
- * City of Leeds letter dated February 10, 2006 to ATRO providing copies of letter to CRS dated January 24, 2006, United States Department of Interior Fish & Wildlife (FWS) letter dated January 24, 2006, letter from Alabama Aquarium providing status update, copy of letter city received from CRS dated January 30, 2006, copy of city's letter dated February 10, 2006 responding to CRS's January 30 letter and evidence of matching funds for the proposed EDA investment.
- * Letter from the FWS dated January 31, 2006 accepting findings that no listed species occur in the project area.

- * CRS letter dated January 30, 2006 to Mayor Whitfield of the city of Leeds continuing to raise the issues and seeking an Environmental Assessment that would address cumulative impacts of the entire area planned for development that would be served by the proposed water and sewer system improvements. Letter included various articles from the Birmingham News and The Leeds News dated September 30, 1998, May 24, 2000, November 8, 2000, November 20, 2000, and December 27, 2000 citing plans by USX Realty to develop 3000 acres of USS property in Leeds, AL.
- * Letter from the Water Works Board of the city of Leeds dated January 30, 2006 to ATRO providing evidence of matching funds to be provided by a Morgan Keegan Bond Issue secured on 10/10/05 for \$4,000,000.
- * FAX from Tricia Sheets of CRS dated January 30, 2006 to Asa Williams of ATRO including copies of various articles from the Birmingham News and The Leeds News dated September 30, 1998, May 24, 2000, November 8, 2000, November 20, 2000, and December 27, 2000 citing plans by USX Realty to develop 3000 acres of USS property in Leeds, AL..
- * City of Leeds letter dated January 24, 2006 to Ms. Sheets of CRS responding to CRS's issues. This letter answers the three concerns of the Cahaba River Society with facts and statements that seem to take the concerns into account rather than dismissing them.
- * City of Leeds letter dated January 18, 2006 to ATRO responding to concerns expressed in CRS letter dated September 23, 2005.
- * Letter from Jack Wright of the RPCGB dated January 13, 2006 to U. S. Fish and Wildlife Service forwarding survey of endangered and threatened wildlife, describing the three phases of the utility improvements (water storage tank, 24 inch water line, sewer and water lines serving site) and measures that would be taken for each phase to prevent soil erosion and silt runoff during construction.
- * Copy of FAX to Jack Wright of RPCGB dated January 12, 2006 from consulting engineer clarifying information in the preliminary engineering report included in application for EDA financial assistance regarding city of Leeds water system capacity, daily usage and purpose of 1,000,000 gallon tank and 24 inch waterline.
- * Letter from Whetstone Consulting dated January 7, 2006 indicating results of no findings for threatened and endangered species survey of property proposed for Bass Pro Shop development.
- * ATRO letter dated January 6, 2006 to Mayor Whitfield of the city of Leeds requesting additional environmental information.
- * ATRO letter dated December 2, 2005 to Ms. Sheets of CRS inviting CRS to provide to EDA any additional substantive information relative to cumulative effects or secondary impacts that may be reviewed and considered in reaching an environmental impact determination. (See January 30, 2006 FAX from Tricia Sheets of CRS for response)
- * Letter from the ATRO to Mayor Whitfield of the city of Leeds dated December 2, 2005 requesting the city to respond to CRS's September 23 letter.

- * Letter from Jack Wright of the Regional Planning Commission of Greater Birmingham (RPCGB) to Bobby Dennis, EDA Program Specialist, dated October 13, 2005 with copy of the Phase I Cultural Resources Reconnaissance study dated September 12, 2005 on the water tank site and three mile route of water line from tank site to Proposed Bass Pro site.
- * Notice to Obligate September 7, 2005 – The Appalachian Regional Commission (ARC) has given notice to the city of Leeds stating ARC will provide \$300,000 in funds to assist in the construction of a 1-million-gallon water storage tank.
- * Letter from the CRS dated September 23, 2005 to EDA ATRO raising concerns about wetland and flood plain damage to the Cahaba River, failure to disclose the full extent of development that would be served by this federally funded project, and the cumulative impacts that the entire development would have on the Cahaba River.
- * Letter from the United States Department of Agriculture, Natural Resources Conservation Service dated September 9, 2005 stating that the soils on the project site are not listed as containing any prime farmland.
- * USGS 24K Quadrangle Map. Leeds, AL dated September 2005 annotated to show location of development benefiting from proposed EDA investment.
- * Letter from Alabama Department of Environmental Management (ADEM) dated August 30, 2005 noting that there are no air quality issues associated with the project.
- * Newspaper Articles in Birmingham News, Aug. 22-24, 2005 and Leeds News, Aug. 25, 2005 providing Public Notice of proposed project.
- * Information on BPS Conservation Efforts and Significant Honors received for their conservation efforts and contributions made toward conservation efforts 1997-2004.
- * Phase I Environmental Site Assessment Prepared by BHATE Engineering Corporation, Inc. dated March 18, 2003. This Site Assessment was performed in conformance with the scope and limitations of ASTM practice E1527-00. Although the assessment narrative states that the site surveyed is approximately 75 acres, the site vicinity map and other information in the assessment clearly indicate that the site assessed is the approximately 100 acre site proposed for the Bass Pro Shop development. The assessment revealed little evidence of recognized environmental conditions in connection with the property.
- * Alabama Department of Environmental Management – Site Assessment on Leeds Landfill, Rex Lake Road & Zeigler Road – July 30, 2002 : This assessment, found that there is no visible and analytical evidence to suggest that a release of hazardous substance has occurred on site of concentrations above safe levels, through the groundwater, surface water, soil or air pathways. Initially, the site was used to extract coal from an on-site mine and later parts of the mine were used as an unregulated sanitary landfill. The assessment also recommended that the site be placed in a category of “No Further Remedial Action” with regard to CERCLA/SARA.
- * USS Corporation Press Release dated July 17, 2002 noting sale of 753 acres of USS property valued at \$6.7 million for \$4.0 million and to Black Warrior-Cahaba Rivers Land Trust plus \$1 million donation to Land Trust that will preserve 20.5 miles of water way including 11.6 miles of the Cahaba River both north and south of I-20 in the vicinity of the proposed BPS development.

* Land Use Study, Barber Vintage Motorsports Museum draft dated November, 3, 1999.

* Red Diamond Development Plan dated May 2, 1994, prepared for Jefferson County Office of Planning and Community Development that indicates business and residential development of USS property north and south of I-20 in the vicinity of Rex Lake Road and the Cahaba River. This plan envisioned a major mixed use development consisting of a well planned residential community with a regional-scale business/office district. The plan proposes approximately 132 acres of commercial property, 100 acres of offices, 185 acres of business development and over 8,000 housing units.

This plan is 12 years old and none of the plan has been implemented. In fact, the Barber Motor Sports Complex is located in a portion of the Red Diamond planned area and it was not part of the plan.

FINDINGS

The following environmental resources were evaluated and the applicant submittals and other sources noted above provide sufficient information to support findings of non-significance for the elements listed.

1. Geology and Soils. There would be a relatively small amount of soil and perhaps underlying rock removed from the site by grading. However, no important geological features are present in the area affected by the project, and the soils in the project area are not listed as containing any prime farmland or any other rare and important soils, according to the USDA, Natural Resources Conservation Service as stated in its September 9, 2005 letter. No significant impact.

2. Floodplains and Wetlands. According to the Federal Emergency Management Agency's (FEMA) Flood Insurance Rate Map No.01073C0362-E there are no floodplains or wetlands identified at the tank site or along the route of the water or sewer lines or within the proposed 100 acre site. The nearest floodplain is located on the north side of Interstate 20 approximately 1100 feet from the site along the same unnamed tributary that passes through the site. The unnamed tributary of the Cahaba River flows along the east side of Rex Lake Road for about 4000 feet from approximately elevation 700 to approximately elevation 600 where it crosses under Rex Lake Road and flows through the site to be developed. The 24 inch water line would cross this stream by directional boring where the stream crosses Rex Lake Road. With the implementation of a special award condition that requires best management practices of required sediment and erosion control measures for controlling and preventing erosion, this stream crossing would have little if any impact on the stream that crosses under the road in a culvert. A wet area along the north-east corner of the property line has been created by a beaver dam blocking inlets to culverts under I-20. This area would not be disturbed by any of the construction activities associated with the commercial development of the 100 acre site. The U.S. Army Corps of Engineers was requested to provide comments on the proposed project and responded by stating that a Department of Army permit will not be required for this project. The Corps of Engineers had no comments. No significant impact.

3. Vegetation and Wildlife. The water storage tank would be constructed on a previously developed site adjacent to an existing water storage tank. The 24 inch waterline follows previously developed areas. Branches of the 12 inch water line and 8 inch sewer line would be constructed along new entry roads into the undeveloped land that would access the proposed commercial development.

Although portions of the commercial development site were previously disturbed by underground and surface coal mining, the site is presently wooded. Loblolly and Virginia pine trees are the predominant tree species on the site's lower elevations while various hardwood trees such as black oak, white oak, beech and tulip popular are located in the higher elevations. The under story consists of various grasses, small plants such as blackberry, broomsedge, red cedar, Chinese privet, Japanese honeysuckle, and small trees such as dogwood. Woodland wildlife includes wild turkeys, thrush, vireos, tanagers, woodpeckers, raccoons, beavers, white-tailed deer, grey squirrels and other common mammals and birds that normally live in wooded areas. No parks, refuges or wilderness areas are in the vicinity of this project and therefore would not be impacted. There are plans to create a park on part of the 100 acre site that would preserve that part of the site that will not be disturbed during construction. No significant impact.

4. Endangered Species. The site is located approximately 2,000 feet from any habitat that may be home to any of the known endangered species or critical habitat in the project area. The letter from the FWS dated January 31, 2006 indicates that no listed species occur in the project area. No Impact.

5. Existing Land Use and Zoning, Farmland The current land use of 100 acre site is zoned B-2 – General Business District Zone. The proposed project would not require rezoning. The area north of 1-20 retains zoning I-2, Heavy Industrial, from past use as coal mining area. Commercial development is restricted in I-2 zoning and residential development is restricted in both B-2 and I-2 zoning. No Impact.

6. Prime/Unique Farmland. Letter from the United States Department of Agriculture, Natural Resources Conservation Service dated September 9, 2005 indicates soils on the project site are not listed as containing any prime farmland. No Impact.

7. Historic/Archeological Resources. The project has been reviewed by the State Historical Commission. The letter from the Alabama Historical Commission dated August 14, 2006 states that the activities in the proposed project will not have an effect on any known cultural resources listed on or eligible for the National Historical Register of Historical Places. No Impact.

8. Energy Availability. Natural gas and electrical utilities are available and adequate to serve the site. No Impact.

9. Solid Waste Disposal. The beneficiaries would produce solid waste that would be collected and hauled to the Star Sanitary Landfill in Moody, AL by a private industrial solid waste collector/recycler. No significant impact.

10. Water Supply and Distribution. Leeds Water Works Board has an ample supply of water for the proposed project and with the proposed improvements would have ample distribution capacity to provide water to the commercial site. The proposed 1,000,000 gallon water storage tank would be constructed adjacent to an existing water storage tank on Pine Ridge

near elevation 840 feet approximately 1200 feet from Rex Lake Road. The proposed 24 inch water line would be constructed from the tank along an access road to Rex Lake Road and then north along the east side and within the 80 foot right of way of Rex Lake Road until it ends just north of U. S. Highway 78. Three sections of 12 inch water line branching off the 24 inch line are planned to serve the BPS and Golden Rule development along the west side of Rex Lake Road at the intersection of U. S. Highway 78. The water improvements so noted would provide the calculated fire flow and water needs to the commercial site. No significant impacts.

11. Water Resources. The proposed project is located in the drainage basin formed by the Cahaba River. The river is over 2,000 feet from the project area. The Cahaba River in the vicinity of the project is protected by Black Warrior-Cahaba Rivers Land Trust which owns property at an average width of 100 feet on both sides of the River.

An unnamed tributary of the Cahaba River flows along the east side of Rex Lake Road for about 4000 feet from approximately elevation 700 to approximately elevation 600 where it crosses under Rex Lake Road and flows through the site to be developed. Two new entry roads to the commercial site are proposed to be at least 200 feet from and approximately 60 feet from this tributary. The tributary would be further protected through use of directional boring where the 24 inch water line would cross the stream along Rex Lake Road and the use of best management practices during construction of the utility improvements proposed in this project and proposed development as required by special award conditions and permitting agencies. Storm water discharge permits issued by Alabama Department of Environmental Management require that water retention basins be provided during construction to allow silt and sediment to settle out of the water before discharge to the stream. The site plans include a lake to hold storm water runoff from impervious surfaces constructed as part of the commercial development. The implementation of this project would not alter existing local surface runoff patterns.

The city of Leeds Water Works Board obtains its water from wells or springs, none of which are located near the project site. No significant impact.

12. Sewer Systems. The two businesses committed for the project site are only expected to generate 500,000 GPD of domestic wastewater discharge, which would be collected by three sections of 8 inch sanitary sewer branching off an existing 24 inch sanitary sewer line along Rex Lake Road. The 8 inch sewer line extensions proposed by this project would connect to an existing sewer line that flows to the Leeds Waste Water Treatment Plant operated by the Jefferson County Environmental Services Department. The WWTP has sufficient capacity to treat the increased flow. NPDES permit capacity of 2 million GPD and monitored flows over the past year confirm that there is sufficient capacity for the additional 500,000 GPD wastewater discharge. No significant impact.

13. Wild and Scenic Rivers. Alabama has one Wild and Scenic River, Sipsy Fork of the Black Warrior River in the Bankhead National Forest in the northwest part of the state near Moulton, Alabama approximately 60 miles from the project site.
No Impact.

14. Streets, Traffic, and Parking. In conjunction with the traffic caused by the recently completed Barber Motor Sports Park, the increased traffic from the proposed development would warrant improvements to the Rex Lake Road and I-20 interchange with U.S. Highway 78. There are plans being developed that would add two lanes to Rex Lake Road from U. S. Highway 78 south to the entrance of Barber Motor Sports Park and add a turning lane on U.S. Highway 78 to

Rex Lake Road. This road project would be funded with 80 percent State funds and 20 percent local funds. The impact to the roads in the area would be minimized with the anticipated improvements. No significant impact.

15. Ambient Air Quality. There would be no significant impact on the air quality as confirmed by letter from Alabama Department of Environmental Management (ADEM) dated August 30, 2005 noting that there are no air quality issues associated with the commercial development. Jefferson, Shelby and the western part of St. Clair Counties are classified as Non-attainment Areas for particle and ozone pollution. Best Management Practices (BMP), such as spraying water to reduce dust, would reduce most construction related air pollution and for the long term, ride share programs would be encouraged to the employees to help reduce vehicular air pollution. The commercial development is located in an area where topographical or meteorological conditions would not hinder the dispersal of air emissions. No significant impact.

16. Ambient Noise. No adverse impacts are expected except due to short term construction. Construction work would be limited to daylight hours to minimize construction related noise. In the long term, some noise would be generated by trucks that would make deliveries to the new businesses, but there is no expectation of any significant increase in noise from activities proposed for this development. There are no noise sensitive land uses immediately adjacent to the 100 acre site. No significant impact.

17. Construction No adverse impacts are expected from construction noise, dust, soil erosion or siltation. Construction plans and specifications would address all federal and state laws related to air, water, excavation, soil and water-runoff, dewatering and siltation. Contractors would be required to employ BMP to reduce dust, soil erosion and silt deposits due to construction of the water storage tank, the new water line along Rex Lake Road and the new water and sewer lines serving the Bass Pro Shop and Golden Rule Bar-B-Q. No significant impact.

18. Coastal Zone Consistency Determination. The proposed project is not in a federally designated coastal zone area. No impact.

19. Toxic and Hazardous Materials. Although part of the development site was previously disturbed by underground and surface coal mining, two site assessments reveal little evidence of environmental hazards. A Phase I Environmental Site Assessment Prepared by BHATE Engineering Corporation, Inc. dated March 18, 2003 was performed in conformance with the scope and limitations of ASTM practice E1527-00. Although the assessment narrative states that the site surveyed is approximately 75 acres, the site vicinity map and other information in the assessment clearly indicate that the site assessed is the approximately 100 acre site proposed for the Bass Pro Shop development. The assessment revealed little evidence of recognized environmental conditions in connection with the property. The Alabama Department of Environmental Management – Site Assessment on Leeds Landfill, Rex Lake Road & Zeigler Road – July 30, 2002, found that there is no visible and analytical evidence to suggest that a release of hazardous substance has occurred on site of concentrations above safe levels, through the groundwater, surface water, soil or air pathways. Initially, the site was used to extract coal from an on-site mine and later parts of the mine were used as an unregulated sanitary landfill. The assessment also recommended that the site be placed in a category of “No Further Remedial Action” with regard to CERCLA/SARA. Any hazardous, or toxic substances produced or used

by the beneficiaries would be collected and disposed of by commercial waste collection firms according to applicable state and federal regulations. No impact.

20. Pollution Prevention. This project would produce pollution both in the short term during construction and in the long term through the subsequent development. Pollution during construction related to noise, dust, soil erosion, and silting will be limited and controlled through Best Management Practices. There is adequate capacity in the Leeds Waste Water Treatment plant to handle additional domestic wastewater from the new development. The development would produce insubstantial hazardous materials and solid waste would be collected and hauled by a private industrial solid waste collector/recycler. No significant impact

21. Environmental Justice. The proposed project would not result in any disproportionate adverse human health or environmental impacts to minority or low income populations. No impact

22. Public Involvement. The proposed project has been given wide coverage in electronic and print media. No formal public hearings have been conducted. No formal opposition to the 100 acre development has been received, however the Cahaba River Society has written letters to EDA and the city of Leeds raising concerns about (1) wetland and flood plain damage to the Cahaba River, (2) failure to disclose the full extent of development that would be served by this federally funded project, and (3) the cumulative impacts that future development would have on the Cahaba River. The EDA Regional Environmental officer has met with representatives of the CRS to hear their concerns first hand and determined that while they have no objection to the 100 acre BPS development, their main concern is with possible future development of the area surrounding the BPS development that could be served by the new 1,000,000 gallon water storage tank, the 24 inch water line and the existing 24 inch sewer line. The mayor of Leeds and their city attorney also met with CRS representatives to discuss their concerns about the impact of future development. CRS's concerns about impact of future developments are based on (1) plans prepared in 1994 for the Jefferson County Office of Planning and Community Development for development of the USS Red Diamond coal mine area that includes the project site, (2) newspaper articles published in 1998, 2000 citing plans to develop the USS property, (3) the original environmental narrative in the application for EDA assistance that mentioned Phase II and Phase III developments, and (4) the Preliminary Engineering Report in the application with drawings dated June 2004 that show plans for commercial development across U. S. Highway 78 from the project site and across I-20 from the project site between I-20 and the Cahaba River.

After these concerns of future development were raised by CRS, the city of Leeds amended the EDA grant application to clarify the extent of the development to be served by the water projects, and to distinguish it from possible subsequent development which is speculative in nature. With the exception of BPS store and hotel, and the Golden Rule Bar-B-Q, no other phase of prospective development is sufficiently concrete to be considered. The Alabama Aquarium continues to seek a suitable site and fund raising efforts to construct the \$100 million facility are progressing slowly. In fact, the Aquarium has withdrawn their plans for the Leeds site. Plans for a proposed golf course and hotel have been shelved and the possible follow-on retail and residential developments referred to as Phases II and III north and south of I-20 are too remote and speculative in nature. The mayor of Leeds and city attorney have met with the CRS and reviewed with them these clarifications in the EDA application.

In a separate mailing from EDA, CRS received a copy of the Final Draft of this Environmental Assessment along with all of the attachments with a letter asking for their comments by the end of an advertised two week comment period that ended on March 19, 2007. CRS did not provide EDA with any comments.

23. Secondary and Cumulative Impacts. In analyzing the impacts from this project, the agency is mindful of secondary and cumulative impacts related to or stemming from its actions. The inclusion of ARC's project for the construction of the water tank in this analysis bespeaks the consideration of such effect. Furthermore, the matter of secondary and cumulative impacts was a concern raised by the CRS based on the impacts of future development that might be served by the proposed improvements. As was explained by CRS, such concerns were not related to any impacts resulting from proposed commercial development related to the project, indeed EDA was advised CRS had no objections to such development, but, rather, their concerns of "potential harm" stemmed from other possible future development of the area. See the letter of CRS signed by Tricia Sheets, dated September 23, 2005. Such concerns were heightened by statements in the initial application by the city for financial assistance.

Applicants for EDA assistance are expected to provide an analysis that includes information explaining how the investment is market-based and results driven and how investment would look beyond the immediate economic horizon, anticipate economic changes and diversify the local and regional economy with a focus on private investment and jobs that would be a direct result of the EDA investment. To make their investment proposals more competitive, applicants often include in their analysis future possibilities for development that do not even have a time line let alone any commitment for development. The city of Leeds, hopeful that more development might follow the BPS development, projected additional private investment potential in its initial application. The city's amended application documents state that the only planned development is that which is planned for the 100 acre site by the BPS and the restaurant. No other specific plans or other documented commitment to develop property in the vicinity of the interchange has been presented. While other development may follow, the nature, extent, and timing of that development is unknown, and is dependent on many factors outside the control of EDA or the city. The proposed project is designed to meet the peak water capacity, fire flow requirements and sewer needs for the Bass Pro Shop and related development on the 100-acre site. Future growth may occur in this area over the next 20 years and, as with any capital improvement, the improved utility system should be adaptable to it, but it is neither meaningful nor required for EDA to speculate as to the nature or effects of such mere possibilities.

The only planned and reasonably foreseeable development in the area is that which is immediately served by this project. The 12 year old Red Diamond Development Plan was a conceptual plan, and none of the development contemplated by that plan has taken place nor is it likely such proposed development will ever occur. Potential development around exit 140 has been the topic of discussion for many years since the interchange was completed in 1985. Thus far, the only development at the interchange has been two service stations, a motel, and the nearby Barber Motorsports Complex. Much like the Red Diamond Report, the Spencer Engineering Report provides what can best be described as conceptual plans for potential future development. The property north of I-20 along the Cahaba River is owned by one landowner, USS, and remains undeveloped. To help mitigate the impact of future development on the River, USS has made it possible for the Black Warrior-Cahaba Rivers Land Trust to purchase property along the Cahaba River at an average width of 100 feet on each side of the river for a buffer and to mitigate any impact of any future development in vicinity of the river. Currently the property

north of I-20 is zoned for heavy industry use which is not consistent with the potential development shown in the Red Diamond Development Plan or Spencer Engineering Report. Other than the Bass Pro Shops development with restaurant and hotel, there is no other planned development upon which to base any cumulative impact analysis that would not be mere conjecture.

Moreover, the water tank and 24 inch water and 8 inch sewer lines to be constructed by the proposed ARC and EDA projects serve a need that is immediate to the development of the BPS and related projects, and is independent of any other prospective development in the area. As previously noted, projected peak water usage needs for the BPS and related development, as well as fire flow needs, require the larger water flow capacity in pipe diameter and water storage the proposed project would provide for this development. That such improved infrastructure may also be long term strategic assets of the Leeds Water Works Board and, in that regard, are designed to accommodate potential future growth, does not mean that the need for this project is dependent upon or connected with any future development.

Lastly, such infrastructure improvement represented by this project is not an irretrievable commitment of resources furthering any specific future development. At this point, the specifics of such future growth are unknown. Eventually, depending on market conditions and actual cost to construct environmentally sound facilities on relatively rough terrain, growth will occur in the future that would be a higher and better use of the land than the currently zoned heavy industrial use. Future development may require zoning changes, state and local permitting mandates, and have many levels of review to insure that the concerns of the public and environmental groups are addressed and proper mitigation actions are incorporated in the plans. Subsequent rezoning, permitting, and other actions supporting development will permit officials to regulate inappropriate growth and impacts to the environment. Such prospective actions will neither require further agency involvement nor oblige the agency to commit any additional resources to such future development. No significant impact.

24. Adverse Environmental Effects Which Cannot be Avoided Should the Proposal be Implemented. Temporary construction-related noises and dust would be controlled through the use of best management practices.

VI. Conclusion With reliance on the materials submitted with the federal application and other resources noted, the proposed project is not controversial or major in scope to warrant an environmental impact statement. With these facts and safeguards in place, an environmental impact statement is not warranted. On behalf of EDA, I have analyzed this project for consistency with EDA's National Environmental Policy Act procedures. In consideration of the environmental impacts identified above, the requirements of EDA Directives 17.02 and 17.04 have been met. Anticipated economic benefits outweigh any minimal short-term and any speculative long-term environmental impacts.

In my opinion, the approval of this project with Special Conditions as described below will not violate the following:

1. Environmental Quality Improvement Act
2. The National Environmental Policy Act, as amended
3. Executive Order 11514, Protection and Enhancement of Environmental Quality, as amended
4. The Clean Air Act, as amended

5. The Federal Water Pollution Control Act, as amended
6. The Safe Drinking Water Act
7. Noise Control Act of 1972, as amended
8. The National Historic Preservation Act of 1966, as amended
9. The Historical and Archeological Data Preservation Act
10. Executive Order 11593, Protection and Enhancement of the Cultural Environment
11. The Wild and Scenic Rivers Act (PL. 90-542, as amended)
12. Executive Order 11988, Floodplain Management
13. Executive Order 11990, Protection of Wetlands
14. The Endangered Species Act, as amended
15. Fish and Wildlife Coordination Act
16. Marine Protection, Research and Sanctuaries Act of 1972, as amended
17. Marine Sanctuaries Act of 1984, as amended
18. Resource Conservation and Recovery Act of 1976, as amended (RCRA)
19. Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA)
20. Toxic Substances Control Act, as amended
21. Coastal Zone Management Act of 1972
22. Farmland Protection Policy Act
23. Coastal Barrier Resources Act
24. Executive Order 12898, Environmental Justice

VII. Special Conditions. I recommend that the following Special Conditions be included on the Financial Assistance Award:

Prior to invitation for bids, the Recipient shall furnish evidence satisfactory to the Government that all requirements of the state's National Pollutant Discharge Elimination System (NPDES) permits have been incorporated into the plans and specifications.

Prior to bid advertisement, the Recipient shall furnish evidence satisfactory to the Government that the following Best Management Practices (BMP) have been incorporated into the plans and specifications:

- (a) stringent sedimentation and erosion control measures should be in place prior to and during any construction activity;
- (b) stream crossings should be constructed perpendicular to the stream to avoid creating barriers to fish movement and debris jams and should be buried below the natural stream bed to avoid creating a barrier to fish movement and to alleviate the potential for debris jams;
- (c) where a segment of water/sewer-line runs parallel to a stream, allow a minimum 25 foot vegetated buffer zone between the construction corridor and the stream bank to protect the roots of bank stabilizing riparian trees, allow for storm water infiltration and deposition of eroded soil and pollutants, and to preserve a travel corridor for wildlife. More stringent erosion and sedimentation controls should be implemented if it is not feasible to maintain a 25 foot buffer (i.e., silt fencing in front of hay bales or a double row of silt fencing);
- (d) permanent herbaceous vegetation in disturbed areas should be established within 15 days of ground disturbing activities to provide long term erosion control;
- (e) excavated material should be stockpiled away from streams; and,

- (f) water/sewer lines should be encased in concrete at crossing, and wet concrete should not contact stream water.

VII. Recommendation. I have reviewed and considered the types and degrees of adverse environmental impacts identified by this assessment. I have analyzed the proposal for its consistency with EDA environmental policies and the potential benefits which may be expected to accrue. Based upon a consideration and balancing of these factors, I recommend, from an environmental standpoint, that the proposal be approved.



Asa R. Williams
Regional Environmental Officer

4/2/2007

Date

This NEPA environmental review includes both the EDA and ARC projects and has been coordinated with TVA, the agency administering the ARC project, as a cooperating agency.

Exhibit IV.A.

A. Environmental Narrative (Revised 5/05/2006)

1. Beneficiaries

Existing businesses located near the proposed development and that will benefit from this proposed project are listed below.

- Barber Race Track, Vintage Motor Sports Museum and the Porsche Driving School
- Chevron Convenience Store and Gasoline Station
- Exxon Gasoline Station/Convenience Store
- Guest House Motel – 44 rooms

2. Area Description

Until recently, development in the area around the I-20/U.S. Highway 78 interchange has not been possible since the majority of the land (6,000 acres) both north and south of I-20 is owned by the U.S. Steel Corporation. However, U.S. Steel has expressed willingness to sell or make available for development a significant portion of its property holdings in this area, creating new economic development opportunities here. This area has a great deal of development potential due to its close proximity to the I-20/U.S. Highway 78 interchange. In addition, the project also benefits from its favorable location relative to the Birmingham area highway network that includes; Interstate Highways 20, 59 and 459. The recent completion of the \$55 million Barber Motor Speedway has transformed the area around I-20 Exit No.140 into a very desirable location for tourism and commercial activities. Between 1965 and 1990, the city of Leeds was very successful in attracting new manufacturing businesses. As the national and local economies became more reliant upon service sector jobs, Leeds became overly dependent upon manufacturing businesses. Over the previous 10 years, Leeds lost 915 jobs as a result of seven plant closings.

The site is bordered by I-20, U.S. Highway 78, Rex Lake Road and by a high voltage power line easement. This 100 acre site is to be occupied by Bass Pro Shop, the proposed Leeds city park and other businesses. It contains topographical conditions that vary from rolling to rough. Parts of this site were mined, between the 1930's and the 1950's, and contains mine tailings. The site is presently wooded. It does contain an old portion of Rex Lake Road that was abandoned when the current road was built.

The 100 acre site is to accommodate the proposed Bass Pro Shop facility as well as the Golden Rule Bar-B-Q restaurant. It is also expected that a 225 to 250 room hotel may also be constructed as part of this project as well. These businesses are expected to occupy 60 to 80 acres with the remaining 20 to 40 acres being developed by the city of Leeds into a city park. These proposed commercial developments are expected to occupy the eastern part of the site that is accessible from Rex Lake Road and U.S. Highway 78,

while the park is to occupy the western side of the property. Two firms and the proposed Bass Pro Hotel have committed to locate here and are listed on the following page.

<u>Company</u>	<u>Services</u>	<u>Jobs</u>	<u>Investment \$</u>	
Bass Pro Shops, Inc.	outdoor products	168	\$ 35,700,000	Committed
Golden Rule Barbecue	restaurant	30	\$ 500,000	Committed
Bas Pro Shops- Hotel		100	\$ 35,000,000	Pending
Committed Totals		298	71,200,000	

Attached in Exhibit IV.A.2.a. is a FEMA Flood Plain Map and a USGS Map illustrating the location of the project's nearby existing businesses and the location of the proposed businesses. Exhibit IV.A.2.b. is an aerial photograph illustrating the location of the proposed Bass Pro Shop site as well as some of the adjacent areas.

3. Alternatives to the Proposed Project

Executives at Bass Pro Shops did investigate other sites however these sites did not conform to the firm's previously defined business strategy of locating its stores in areas that will be attractive to Bass Pro customers. The firm's business strategy calls for the selection of new store sites to be in areas that are consistent with and that compliment the firm's mission to sell a wide variety of outdoor recreation products. The other site that was investigated was an urban site that is situated in a densely developed area that did not satisfy these previously defined store location criteria. The present site, in Leeds, is adjacent to the Barber Motor Sports Park which is a complimentary use from a marketing standpoint. Company officials also liked the fact that the city of Leeds was willing to develop a park on the adjacent site which will enable Bass Pro to use the proposed park to teach people various fishing techniques and to demonstrate other company products. In addition, company officials have also discussed the possibility of developing a canoe launch site on the nearby Cahaba River. Therefore, the Leeds site met the firm's store location criteria and Bass Pro officials did not investigate other alternative sites. The "no project" alternative was not an acceptable option for Bass Pro Shops since the firm's catalogue sales volume is greater in Alabama than in any other state. Due to the large volume of catalogue purchases made by Alabama residents, the firm had to select a site in Alabama in an effort to meet the previously defined market demand that exists here. In addition, the new jobs created by Bass Pro made the "no project" alternative unacceptable to the city of Leeds, since these new service sector jobs will replace many of 915 manufacturing jobs that were lost here over the last 10 years. The most important site selection factor was the fact that large tracts of suitable land, adjacent to I-20, were available at this location in Leeds.

4. Shorelines, Beaches and Dunes, Estuary, Wetlands, Floodplains

There are no shorelines, beaches, dunes or estuaries on or near the project site. A Phase I Environmental Assessment conducted by Bhate Engineering Corporation in 2003, revealed that the streambed of the unnamed stream that flows through the site exhibited

some wetland characteristics that may be protected by building setbacks. The study also reported that a swamp had been created, beneath the adjacent power line easement, as a result of a beaver dam created where the unnamed stream flows under I-20, on the western boundary of the site. The report indicates that if the blockage is removed the land will return to its original state. The FEMA Flood Map in Exhibit IV.A.2.a. indicates that there are no flood prone areas on or near the project site including along the route of the proposed water and sewer lines. Project site planners are aware of the constraints contained in the Phase I Environmental Assessment and are developing site plans that will eliminate any potential for flooding. (See Page 13, Paragraph 2 of the attached Phase I Environmental Assessment) Wetlands created by blocked drainage pipes under I-20 can be eliminated by unblocking this drain pipe. The proposed park will be located on the western side of the site near this wetland area and will not have an adverse impact upon these wetlands. The proposed project will not have an adverse impact upon wetland areas. The city of Leeds does participate in the National Flood Insurance Program.

5. Vegetation and Wildlife Resources

Loblolly and Virginia pine trees are the predominant species on the site's lower elevations while various hardwood trees such as black oak, white oak, beech and tulip poplar are located in the higher elevations. The under story consists of various grasses, small plants such as blackberry, broomsedge, red cedar, Chinese privet and Japanese honeysuckle and small trees such as dogwood trees. Woodland wildlife includes of wild turkeys, thrush, vireos, tanagers woodpeckers, raccoons, beavers, white-tailed deer, gray squirrels, and other mammals and birds that normally live in wooded areas.

- a. There are no designated State or National Parks, or National Game Preserves, located on or near the proposed project.
- b. There are no existing Wilderness Areas or proposed areas under the Wilderness Act. There are no scenic rivers as designed or proposed under the Wild and Scenic Rivers Act located on or near the proposed project.

6. Endangered Species

The publication entitled: Threatened and Endangered Species of Alabama: A Guide to Assist With Forestry Activities, was published in 1995 in cooperation with the U.S. Fish and Wildlife Service, Daphne, Alabama Field Office, Champion International Corporation and Canal Wood Corporation. This publication reveals that the red-cockaded woodpecker, flattened musk turtle, watercress darter, goldline darter, triangular kidneyshell mussel, dark pigtoe mussel, upland combshell mussel and ovate clubshell mussel are found in Jefferson County. The proposed project is not expected to affect the habitat of the red-cockaded woodpecker since the new water and sewer lines will be installed within an existing utility easement and within street and highway rights-of-way and since 20 to 40 acres is being developed a municipal park where much of the land will remain in an undisturbed condition. The flatten musk turtle and the various fish and mussels listed above should also not be affected since their primary habitat, i.e. the Cahaba River, is about 2,000 feet from the project site. In addition, the proposed park

will contain very limited development in an effort to provide a buffer between the Cahaba River and the proposed commercial development. Further clarification relative to threatened and endangered species has been requested from the U.S. Fish and Wildlife Service.

7. Land Use and Zoning

Zoning – The site to be developed for Bass Pro Shops and the Golden Rule Barbeque as well as the surrounding area have been zoned by the city of Leeds as a B-2 – General Business District Zone.

Land Use - The project site is wooded. The topography in and around the project site is relatively rough. Elevations in this area vary from over 900 feet above MSL to about 570 feet above MSL. However, the project site contains less of a grade variation having a maximum elevation of about 660 feet above MSL and a low elevation of approximately 600 feet above MSL. An abandoned portion of the realigned Rex Lake Road enters the eastern side of the site from Rex Lake Road. An AT&T fiber-optic cable traverses the northern side of the site, parallel to the I-20 right-of-way. Mine tailings cover part of site as a result of previous surface and subsurface mining activity that occurred here in the past. Therefore, parts of the site may be considered to be brownfields. Woodland characterize much of the areas adjacent to the proposed Bass Pro Shop site. Woodlands make up all of the land along the western border of the site. North of the site is I-20, woodlands and the Cahaba River. The eastern side is formed by U.S. Highway 78 and Rex Lake Road and does contain two gasoline stations, a motel and several scattered housing units. The southern side of the site contains woodlands and the Barber Motor Sports Park that contains a race track, motorcycle museum and race driving school.

Prime Farm Soils – The attached letter written by Mr. Rod Goode, the Urban Resource Conservationist in the Vestavia Hills Field Office indicates that the proposed site does not contain any prime farm soils.

8. Solid Waste Management

- a. Bass Pro Shops is expected to primarily generate waste paper and waste cardboard. Bass Pro Shop, Golden Rule Barbeque are expected to generate 151 tons of solid waste annually, based upon commercial waste generation rates provided by the California Integrated Waste Management Board.
- b. Solid waste collection in the city of Leeds is provided by Onyx which delivers MSW to the Star Sanitary Landfill in Moody, for disposal. However, commercial operations such as the two beneficiaries contained in this project are expected to contract for commercial waste collection and recycling services for their specific business.
- c. Bass Pro Shops is expected to contract for the recycling of waste cardboard due to the large volumes of cardboard that will be generated. The city of Leeds does operate a drop-off center that recycles a small volume of household waste products.

9. Hazardous or Toxic Substances

- a. The two benefiting businesses are expected to use limited quantities of paint, used oil, and batteries that are classified as hazardous materials. Kitchen grease will be generated by the Golden Rule Barbeque and the proposed hotel and will be collected and disposed of by commercial waste collection firms. No radioactive substances are expected to be used or produced.
- b. The two benefiting firms and proposed hotel are expected to comply with regulations established by OSHA, EPA and the Jefferson County Department of Health, relative to the use and storage of these materials.
- c. Applicant Certification Clause – Exhibit IV.A.9.c.

10. Water Resources

The proposed project is located in the drainage basin formed by the Cahaba River. The Water Works and Sewer Board for the City of Birmingham (BWWSB) has a reservoir, Lake Purdy, on the Little Cahaba and a dam on the main stem of the Cahaba which work together to provide raw water to the Shades Mountain filter plant. The Leeds Water Works Board obtains its water from wells and springs that are located in the Alabama Valley and Ridge geological formation. Carbonic rocks tend to make up the aquifers here. Major aquifers in this area tend to be located in valleys that are hydraulically separated from one another by less permeable ridges of sandstone, quartzite and slate. In 2004, the Leeds Water System had an average groundwater withdrawal of 4,100,000 gallons per day. None of Leeds public water supply wells or springs are located near the project site.

11. Water Supply and Distribution Systems

The Water Resource Assessment completed in 2004, for RPCGB indicates that the Leeds Water System obtains its water from four wells and two springs having a current supply capacity of 5 MGD and an average daily use of 3.0 MGD. The water system provides service to about 13,000 people. The system produces high quality water supplies that do not require treatment. The project's two beneficiaries are expected to have an average water use of 600 GPM.

The capacity of the proposed water system improvements was based upon the fire low demands required by the insurance underwriters for the retail floor space being developed by Bass Pro Shops as indicated in the revised Engineering Report dated April 7, 2006.

12. Wastewater Collection and Treatment Facilities

- a. The two committed businesses plus the proposed hotel are only expected to generate domestic wastewater discharges. No industrial wastewater will be

generated. These two committed firms plus the proposed hotel are expected to generate 500,000 GPD of domestic wastewater that will be discharged to new and existing sewers that transport the wastewater to the Leeds Wastewater Treatment Plant operated by the Jefferson County Environmental Services Department. The eight inch gravity sewer which will serve the proposed commercial development is the minimum size required for a Jefferson County trunk sewer as is adequate in size for the commercial development.

b. The Leeds WWTP has a maximum treatment capacity of 2 MGD and an average daily flow of 1 MGD. The treatment plant discharges into the Little Cahaba River. The plant provides extremely high level of tertiary treatment. None of the benefiting firms will be required to pretreat their wastewater discharges.

c. The implementation of this project will not alter existing local surface water runoff patterns. The proposed Bass Pro Shop development will contain a city park. A lake will be built in the park that will hold the site's stormwater runoff. All three benefiting firms will be required to obtain stormwater discharge permits from the Alabama Department of Environmental Management. At completion, impervious services on the 100 acre site are expected to cover less than 40 percent of the site's land area.

13. Environmental Justice (Executive Order 12898)

The implementation of this project will not have an adverse impact upon low income or minority residents. The project will have a positive impact upon these two populations by providing them with much-needed jobs.

14. Streets, Traffic, Parking

a. U.S. Highway 78, I-20 and Rex Lake Road will provide highway and street access to this proposed development. Two additional lanes are to be added to Rex Lake Road in an effort to accommodate the increased traffic flows generated by the Barber Motor Sports Park on race days. Federal Highway funds have been made available to the city of Leeds for this project since 2001, however the city has not been able to provide the local matching needed to initiate the engineering for this project. The city of Leeds is presently developing a comprehensive land use plan for this area which is expected to recommend that the present I-20 interchange be improved so that it will be able to accommodate increased traffic flows needed to accommodate traffic flows generated by Bass Pro Shops and by the Barber Motor Sports Park. The need to improve this I-20 interchange has been explained to the Director of the Alabama Department of Transportation who made a verbal commitment to do make these improvements subject to the completion of a study that verified the need to increase the capacity of this interchange. A new access road will be built that serves the new Bass Pro Shop facility.

b. There are no existing schools, parks, hospitals or other institutions located near the proposed development. The increased traffic flows generated by this project may create traffic flow problems until the recommended improvements to Rex Lake Road and I-20 exit 140 are completed.

c. Existing traffic flows are very low, therefore, U.S. Highway 78, Rex Lake Road and the I-20 interchange will not be overtaxed by the increased traffic generated by this Phase I project. It is anticipated that a traffic light may be needed at some point in the future, when succeeding phases are completed, in an effort to accommodate west bound traffic on I-20 that exits here, going to Bass Pro or to the race track.

15. Air Quality

a. Jefferson, Shelby and the western part of St. Clair Counties are classified as Non-attainment Areas for particle and ozone pollution. No significant air pollution is expected to be generated by any of the three benefiting companies. The EDD's Ride Share Program will be able to help some area employees by encouraging co-workers to commute to and from work together, which will help reduce air pollution generated by vehicles.

a. There are no local or topographical or meteorological conditions that will hinder the dispersal of air emissions. The new Bass Pro Shop facility will be located on the top of a hill where it will be exposed to the prevailing winds.

16. Noise

No noises will be generated by the proposed utilities that are to be installed or by the three benefiting businesses. Some noise will be generated by trucks that make periodic deliveries to the three new businesses.

17. Construction

During construction, the contractor will be required to periodically spray the work area with water, in an effort to reduce dust levels. Construction work will be restricted to daylight hours only in an effort to minimize construction-related noises. Contractors will also be required to employ best management practices in an effort to reduce dust, erosion and siltation resulting from project construction activities.

18. Permits

ADEM permits will be required for the proposed sewers and water mains while Alabama Department of Transportation will need to issue a Utility Permit authorizing installation of the water main in the U.S. Highway ROW. Jefferson County Environmental Services Department will need to approve the proposed

sewer improvements. Alabama Department of Environmental Management storm water permits will be purchased prior to the construction of the two benefiting businesses. None of the needed permits have been obtained.

19. Public Notice / Controversy

a. This proposed project has been given wide coverage by a variety of electronic and print media. Print exposure has been provided in a variety of publications that are listed below.

- St. Clair Times
- Birmingham News – numerous articles
- Birmingham Business Journal – several articles

Also attached is the press release provided on the Bass Pro Shop web page.

b. No formal public hearings on this project have been conducted.

c. No formal opposition to this project has been voiced. However, it is clear that a number of local environmental groups, such as the Cahaba River Society, have concerns about it. In an effort to reduce their concerns, top officials at Bass Pro have met with the leadership of the Cahaba River Society in an effort to solicit their comments on the proposed site development plan and to garner the Society's help in developing various environmental programs that promote the maintenance of good environmental conditions on the Cahaba River. Bass Pro officials have invested a great deal of time researching ways to reduce the number of trees that will be cut down when the site is developed. As a firm engaged in the sale of outdoor equipment, Bass Pro officials take every opportunity to enhance and preserve environmental conditions around their stores. In addition, the city of Leeds has agreed to spend up to \$5 million developing a 20 to 40 acre park adjacent to the proposed Bass Pro Shop facility in an effort to reduce the project's adverse environmental impacts and to retain its woodland characteristics.

20. Cumulative Effects

No adverse incremental environmental impacts are anticipated as a result of the cumulative effects of this proposal when they are added to other past, present or reasonably foreseeable future actions.

a. Direct effects consist of construction related dust, erosion and temporarily elevated noise levels. Indirect effects consist of effects produced by the three benefiting companies and include increased noise levels, increased traffic, water consumption, wastewater and solid waste volumes.

b. No residents or businesses will be displaced as a result of this project. The proposed water and sewer lines will be installed in existing and future street

and highway rights-of-way. Part of the proposed water main will be installed within an existing water main easement that already contains an existing water main. Great care is being taken to develop this site by employing site design and construction methods that will reduce or eliminate most of the negative short-term and long-term impacts that the implementation of this project will have on area ecosystems.

- c. Negative impacts resulting from the selective removal of some trees, increased storm water runoff and increased air pollution produced by the increased traffic
- d. volumes are being addressed. Great care is being taken to reduce the number of trees that are removed. A pond will be constructed to retain storm water runoff. The EDD's Ride Share Program will be employed in an effort to reduce the number of employee vehicles that come to the site so that vehicle-related air pollution levels will be reduced. Due to these mitigation efforts, the implementation of this project will not have a cumulative negative impact upon area environmental resources.

21. Regulation of Future Developments

As indicated above, all future developments will be required to obtain storm water permits either from the Alabama Department of Environmental Management for projects of more than one acre in size while the Jefferson County Commission which issues storm water permits for land development projects that are one acre or less in size. In addition, all future developments will be required to comply with Leeds Subdivision and Zoning Regulations and with the new land use plan and development controls being developed for the 4,500 acre area around I-20 Exit 140.

The attached map indicates the location of the proposed water and sewer improvements as well as the location of the proposed 100 acre retail and municipal park site to be occupied by Bass Pro Shops and the Golden Rule Bar-B-Q restaurant. This map also delineates the location of the city of Birmingham and city of Leeds corporate limits. Please note that the Leeds Water Works Board does not have authority to provide new water service to areas within the corporate limits of the city of Birmingham unless approval is obtained from the Birmingham Water Works and Sewer Board. Therefore, the city of Leeds does not have the ability to control new developments that may occur within the city of Birmingham corporate limits.

Attached is information taken from Birmingham Metropolitan Planning Organization's Project Status Review report which indicates that the engineering work has been completed for the two additional lanes that are to be added to Rex Lake Road between I-20 Exit 140 and the entrance to the Barber Motor Sports Park. This project has a total estimated cost of \$1,300,000. Remaining activities

consist of acquiring rights-of-way, relocating the utilities and project construction. The target dates for these remaining activities are listed below.

- ROW Acquisition – 2009
- Relocation of Utilities – 2010
- Start Construction – 2012

The project engineer, Goodwyn, Mills and Cawood are presently working on the Rex Lake Road Corridor Study which is about 50% complete. On May 4, 2006, a public hearing will be held to review the draft corridor study. After that, the design phase will be initiated. GMC expect the design phase to be completed in about 90 days. Therefore, by September 1, 2006, the city's consulting engineer will have the Rex Lake Road ROW Plans that will enable him to complete his final water and sewer line engineering design and location activities.

22. Project Financing and Construction Schedules

The bond validation process is expected to be complete by May 15, 2006. Bond sales are expected to occur between June 1 and August 31, 2006. Construction on the Bass Pro Shop site and building is expected to begin on September 15, 2006.

23. Original Phase I and Phase II Follow-on Developments

Since the EDA Grant Application was submitted in September of 2005, a number of things have occurred that changed the complexion of this project. The most significant change has been that, with the exception of Bass Pro Shops and the Golden Rule Bar-B-Q restaurant, all of the other firms listed in Phases I and II have not committed to developing in Leeds. However, Bass Pro officials continue their efforts to build a hotel here. Recent discussions held with the developers of the proposed Alabama Aquarium indicate that a suitable site is still being sought and that fund raising efforts, for this \$100 million project, are progressing slowly. Therefore, the construction of this project appears very doubtful for the immediate future. Initially, Phase II was thought to contain a large hotel and golf course plus three other restaurants. Bass Pro Shops officials discussed financing of the proposed hotel and golf course with the Retirement Systems of Alabama, however, RSA made a decision not to develop these two related projects at this time since it had just completed a similar development in the Birmingham area known as the Ross Bridge Hotel, Spa and golf course. In addition, none of the three other restaurants that were thought to locate here have made commitments to build facilities near the new Bass Pro Shop store. None of the follow-on retail and residential developments to be built by Daniel Corporation and Eyster Properties that were listed in the EDA construction grant application, have committed to build facilities around I-20 Exit 140. The United States Steel Corporation has asked Daniel Corporation to assess the retail and residential demand existing in this area which represents the only land development activity

that may occur here. At this point, the only firm commitments we have are from Bass Pro Shops and the Golden Rule Bar-B-Q restaurant which will build facilities on the 100 acre site that will also contain a city park, however, Bass Pro Shops continues its efforts to build the proposed hotel.

24. Meeting with Cahaba River Society

On May 1, 2006, Mayor James Whitfield and Mr. Bill Weathington met with Messes Beth Stewart and Tricia Sheets of the Cahaba River Society. Mayor Whitfield and Mr. Weathington made themselves available to discuss the amended EDA Environmental Narrative and in the Engineering Report.

B. Historic / Archaeological Resources

There are no known historic structures or sites on or near the project site that are either listed on the National Register of Historic Places or that have state or local significance. However, the Alabama Historical Commission has been asked to investigate this issue and report its findings to the applicants and to EDA. There are no known archeological sites on or near project site, however, an archeologist has been employed to make a formal determination on this. The results of this archeological investigation will be sent to EDA for their review.