

**FINDING OF NO SIGNIFICANT IMPACT  
AND ADOPTION OF ENVIRONMENTAL ASSESSMENT PREPARED BY  
ECONOMIC DEVELOPMENT ADMINISTRATION  
TENNESSEE VALLEY AUTHORITY**

The Tennessee Valley Authority proposes to administer an Appalachian Regional Commission (ARC) grant of \$300,000 to the city of Leeds, Alabama. The grant would partially fund the construction of the proposed water and sewer infrastructure serving a new commercial development. Half of the total \$1.7 million cost of the proposed utility improvements would be funded by a grant from the Economic Development Administration (EDA) and the remainder would be funded by the ARC grant and bonds issued by Leeds. The EDA has prepared an Environmental Assessment (EA) of the proposed utility improvements and the associated commercial development. TVA was a cooperating agency in the development of this EA. The EA evaluates the No Action and Action Alternatives. Under the No Action Alternative, EDA would not provide funds and TVA would not administer the grant to assist with the infrastructure development and the city could lose the economic development opportunity. Under the Action Alternative, the agencies would provide funding for the utility improvements, consisting of a 1 million gallon ground level water storage tank, 14,400 linear feet of 24 inch and 5000 feet of 12 inch ductile iron water pipe and 3,300 feet of 8 inch ductile iron gravity sewer pipe and appurtenances. The utility improvements would serve a proposed commercial development in close proximity to the I-20/U.S. Highway 78 interchange in Leeds. The 100-acre development would include a Bass Pro Shops store and hotel and a Golden Rule Barbeque Restaurant. A quarter of the site would be developed as a park.

The EA concludes that impacts to air quality, vegetation, wildlife, visual resources, noise, and environmental justice from the proposal would be minor and insignificant. There would be no effect on state- or federally listed endangered and threatened species or on cultural resources listed on or eligible for listing on the National Register of Historic Places. The U. S. Fish and Wildlife Service (USFWS) and Alabama State Historic Preservation Officer (SHPO) by letters dated January 31, 2006, and August 14, 2006, respectively, have concurred with these determinations. Neither the utility improvements nor the associated commercial development would be located in a floodplain and no wetlands would be affected.

The proposed project is located in the drainage basis of the Cahaba River. The proposed 24-inch water line would cross a tributary stream to the Cahaba River via directional boring and there would be no direct impacts on any water bodies. Best Management Practices would be used during construction of the utility infrastructure as well as during development of the commercial site. With adherence to these measures, impacts to water quality and aquatic life would be insignificant. The proposed commercial development is compatible with current zoning and nearby land uses which include the recently completed Barber Motor Sports Park. No prime farmland, public parks, refuges, or recreation areas would be affected. Highway improvements have already been proposed to accommodate the traffic increases from the recently constructed Barber Motor Speedway and the currently proposed commercial development and the long-term impacts to traffic would be insignificant.

The proposed project was given wide coverage in the local media. EDA personnel met with concerned stakeholders and the grant applications and plans for the commercial development have been modified to address these concerns. The concerned stakeholders did not respond to EDA's request to comment on the EA.

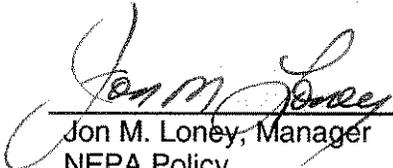
### **Mitigation and Special Grant Conditions**

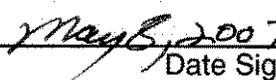
The EA identifies several Best Management Practices that would be required as conditions of the grants. TVA has not identified the need for non-routine mitigation measures to further reduce potential environmental impacts.

### **Conclusion and Findings**

TVA cooperated with the EDA in the development of the EA and has independently reviewed the impact analyses. We conclude that action of administering the ARC grant for the utility improvements would not be a major federal action significantly affecting the environment and have decided to adopt the EDA EA. It is attached. Also attached for additional information on the project are an aerial photograph of the area showing the proposed project and Exhibit IV.A , Revised Environmental Narrative from EDA's project file

Accordingly, preparation of an environmental impact statement is not required. This FONSI is contingent upon adherence to the grant conditions described above.

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

  
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Date Signed