

development to expand onto TVA property would set a precedent for future deviations from the land plan. TVA does not agree that this decision will create a precedent for future decisions leading to deviations from the Year 2000 Land Plan and additional environmental impacts. Deviations from the Year 2000 Land Plan are completely within TVA's control and the decision announced here in no way requires or binds TVA to make similar decisions in the future. As EPA noted in its comments, flexibility and the ability to adapt to events are the hallmarks of good land plans. TVA always maintains the ability to modify its reservoir land plans as events dictate, subject to appropriate environmental review. As was done here, if TVA receives additional requests to deviate from the Year 2000 Land Plan, TVA would carefully review the merits of such requests. Only if a request has sufficient merit, would TVA undertake a detailed review of the request, including appropriate environmental review and stakeholder input. Reviews of any such future requests would include an assessment of the cumulative impacts of such requests with the Rarity Communities development as well as other actions impacting or foreseeably impacting Tellico Reservoir and the area.

As discussed here and in the EIS, TVA agreed to consider the merits of Rarity Communities proposal because it is consistent with and further implements the overall goals of TVA's Tellico project. However, consistency with Tellico project goals likely would not have been sufficient for TVA to agree to a deviation from the Year 2000 Land Plan so early in the plan's life. Rarity Communities' willingness to offset the loss to TVA public land by providing higher quality land elsewhere on the reservoir was, as stated above, a critical factor in TVA's decision to allow the expansion of Rarity Communities' development onto TVA property and to approve Rarity Communities' associated requests. This allows TVA to make the decision here that furthers the Tellico project's economic development goals while enhancing the Year 2000 Land Plan's recreation and natural resource management goals.

Environmentally Preferred Alternative

Because the Rarity Communities' development would occur and is occurring on private land adjacent to the TVA land, none of the alternatives, including the no action alternative (Alternative A), would be free of environmental impacts. However, TVA's analyses indicate that Alternative

A would have fewer environmental impacts especially to resources on TVA's public lands. On balance, TVA has decided that the no action alternative is the environmentally preferable alternative. However, of the action alternatives, Alternative E has a number of environmentally attractive features and in TVA's judgment would have important environmental benefits. These include a net gain of accessible public land and shoreline on Tellico Reservoir allocated to natural resource conservation and recreation and on-site environmental protection measures related to design and construction of the Rarity Pointe golf courses, resort housing, marina, and other development that would otherwise be foregone. In addition, Alternative E would jump-start the development of a greenway trail on the eastern shore of the reservoir. The major environmental negative feature of Alternative E would be that it could be seen from another development on Tellico Reservoir, known as Tellico Village, and would therefore have negative visual effects for village residents and lake users within that view shed.

Environmental Commitments

For the reasons discussed in the Final EIS and summarized here, TVA is committing to the following measures to avoid, reduce, or mitigate the potential environmental impacts associated with these actions:

- A vegetated buffer zone of at least 50 feet will be retained by TVA and maintained along the shoreline from the summer pool level and around the periphery of Parcels 8 and 9 (the land transferred by TVA) in order to maintain continuity on the site, and reduce possible impacts to water quality and wetlands.
- In order to further minimize potential impacts to water quality and avoid wildlife exposure to pesticides, Rarity Communities will utilize golf course design and management practices approved by TVA and included in Tennessee Department of Agriculture guidelines and/or the certification of the golf courses by Audubon or similar organizations that reduce exposure to and impacts from golf course maintenance and that provide a method of tracking compliance with this commitment.

- Rarity Communities will replace forested wildlife habitat and recreation land lost from the development of Parcels 8 and 9 through a land exchange with TVA at the Wildcat Rock site as described in Alternative E. TVA and/or TRDA will maintain the acquired parcel

for public recreation and natural resource management.

- Dead trees and mature trees greater than 14 inches in diameter will not be cut on any of the lands that comprise the development project, especially oaks and hickories with loose, shaggy bark, until Indiana bats are not likely to be present (October 15–March 31).

- Fully shielded light fixtures or those with internal low-glare optics (so no light is emitted from the fixture at angles above the horizontal) will be used in the development.

- The following commitments are required for dredging associated with the marina:

A. Silt curtains must be placed around the perimeter of the dredge area, so as to not allow silt laden water outside the work area.

B. All saturated spoil will be dewatered using berms, straw bales, silt fencing, or other silt control devices positioned in such a way as to not allow silt-laden water to re-enter the reservoir. The method of dewatering must be approved by TVA.

C. All dredged material must be removed to an upland site (above 820-foot elevation) and contained in a manner to prevent its return to any water body or wetland, and permanently stabilized to prevent erosion.

- Rarity Communities will mitigate impacts to wetlands (W4 and W5) by implementing the wetland mitigation plan in Appendix C of the Final EIS. In addition, in response to comments from the FWS, the following additional wetland mitigation measures will be established;

A. The height of the riprap behind the dredge will be no higher than the 814-foot elevation.

B. The marina parking lot will be located no closer to the shoreline than 55 feet from the 813-foot contour.

C. The area between the marina parking lot and shoreline will be maintained as a vegetated filter buffer with the larger vegetation (trees and shrubs) left in place, the larger vegetation may be side pruned.

- All of the general and the designated standard conditions for Section 26a and Land Use approvals identified in Appendix G of the Final EIS are conditions of 26a approval and will be placed in the 26a permit, including conditions 6b, 6f, 6g, and 6h, and implemented by Rarity Communities on all licensed and leased TVA property. Article 3 General Provisions, TVA Contract 60000A, will be adopted by Rarity Communities and implemented on all former TVA