

**FINAL
DESCRIPTION OF PROPOSED ACTION AND
ALTERNATIVES**

**PORT OF CATES LANDING — RAIL EXTENSION
NORTHWEST TENNESSEE REGIONAL PORT AUTHORITY
RAILROAD CONSTRUCTION AND OPERATION
DYERSBURG, TENNESSEE**

Revision: 03

Prepared by



**Surface Transportation Board
Office of Environmental Analysis
395 E Street, SW
Washington, DC 20423-0001**

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1.0 PURPOSE OF AND NEED FOR THE PROPOSED ACTION

1.1 Introduction

By petition filed with the Surface Transportation Board (the Board) on June 27, 2014, the Northwest Tennessee Regional Port Authority (NWTRPA) is seeking an exemption under 49 United States Code §10901 for authority to construct and operate a new rail line in Lake County, Tennessee. In the petition, NWTRPA proposed to construct and operate approximately 5.5 miles of new rail line to serve the newly constructed Port of Cates Landing on the Mississippi River near the town of Tiptonville, Tennessee.

Pursuant to 49 United States Code §10901, the Board is the federal agency responsible for granting authority for the construction, operation, and maintenance of new rail line facilities. The Board's Office of Environmental Analysis (OEA) is responsible for undertaking environmental review of proposed projects on behalf of the Board under the National Environmental Policy Act (NEPA) and related environmental laws. OEA will prepare an Environmental Assessment (EA) in accordance with NEPA, the Council on Environmental Quality guidelines, and the Board's environmental rules to identify and analyze the potential environmental impacts associated with NWTRPA's proposed project and all reasonable and foreseeable alternatives, including the No Action Alternative.

1.2 Background

NWTRPA is a regional rail authority and political subdivision of the State of Tennessee established by the three counties of Dyer, Lake, and Obion in northwest Tennessee for the purpose of constructing, owning, and operating a regional river port on the Mississippi River. In 2014, NWTRPA completed construction of the Port of Cates Landing near Tiptonville in Lake County (river mile 900) and approved the contracting firm R.J. Corman Railroad Group as the port operator. The port site includes a slack water harbor and a 44-acre site for the port facilities and associated infrastructure.

In 2004, the U.S. Army Corps of Engineers Memphis District (COE Memphis District) prepared an EA analyzing the environmental impacts associated with the development of the harbor at the Port of Cates Landing, including the dredging of a channel approximately 9,000 feet in length, with a bottom width of 130 feet transitioning to 225 feet for the berthing area, and a 300-foot turning basin to create the slack water harbor (COE Memphis District 2004). In the EA, the COE Memphis District considered alternatives to the proposed harbor, including the No Action Alternative, and concluded that the development of the harbor at Cates Landing would not significantly affect the quality of the human environment.



A 345-acre property located adjacent to the port is owned by Lake County and has been zoned as an industrial park. To provide transportation access to the Port of Cates Landing and Lake County Industrial Park, the Tennessee Department of Transportation (TDOT) has constructed a new two-lane highway connecting the port to State Route (SR) 78, SR 21, and SR 22.

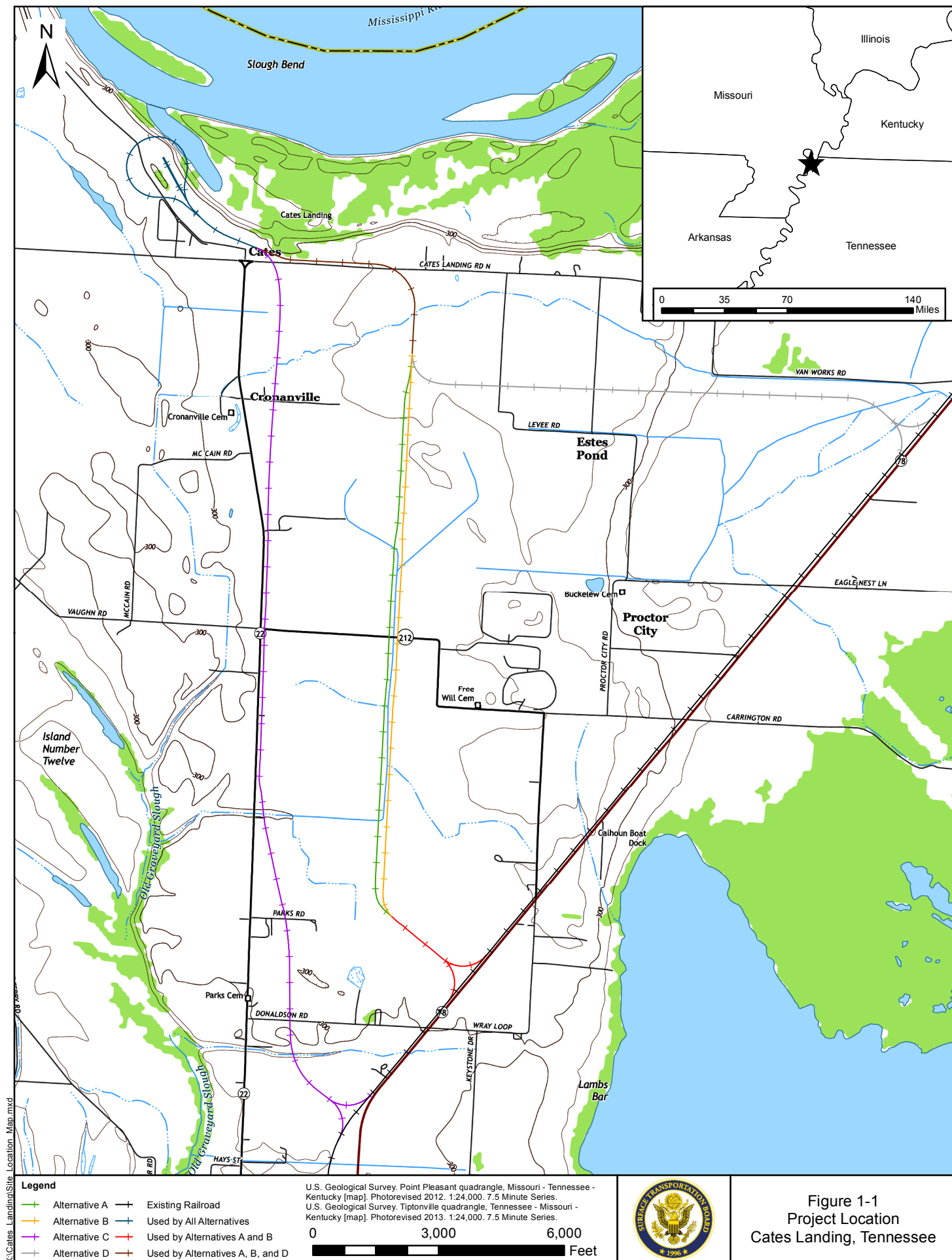
In 2008, TDOT prepared a categorical exclusion under the provisions of 23 Code of Federal Regulations 771.117 to evaluate potential environmental impacts and environmental regulatory issues associated with proposed improvements to a 4.65-mile section of SR 22 (including realignment) from SR 21 to Cates Landing Road (TDOT 2008). TDOT determined that the project did not involve significant impacts to the planned right-of-way, land use, or existing travel patterns, and that the proposed improvements would not directly, indirectly, or cumulatively have any significant environmental impacts.

1.3 Purpose and Need

NWTRPA is now proposing to construct and operate a new rail line in order to provide an additional transportation option to customers of the Port of Cates Landing and the Lake County Industrial Park. The Line would connect the Port of Cates Landing to the existing rail line owned and operated by the Tennkenn Railroad, a Class III common carrier short line railroad, located near Tiptonville, Lake County, Tennessee (Figure 1-1, Project Overview).

The rail line development, with connection to the Tennken Railroad, would meet the planned needs for the complete integration of the Port's intermodal mission to supply direct load/off-load capabilities between Mississippi River traffic and truck and rail distribution corridors. This rail link between the Port and Tennken Railroad would provide access to five Class I railroads including the CN Railroad, 30 miles away.

OEA anticipates that the new rail line would handle approximately one train per day five days a week. The NWTRPA estimates that traffic on the line would initially consist of fewer than 1,000 railcars per year and would eventually rise to more than 1,000 railcars per year. Potential cargo would include agricultural commodities and products; industrial products and raw materials for industrial products; and finished manufactured goods, energy commodities, and special cargos.





1.4 Scope and Content of this Environmental Assessment

This Description of the Proposed Action and Alternatives (DOPAA) presents and describes the alternatives investigated, including the No Action Alternative, under which NWTRPA would not construct the Line. The DOPAA forms the framework for conducting further environmental analyses in accordance with NEPA and its implementing regulations. In developing this DOPAA, the following five alternatives were identified for consideration in the EA:

- Alternative A (NWTRPA's Preferred Alternative): NWTRPA's preferred alternative would extend approximately 5.5 miles from the Port of Cates Landing to the existing Tennken Railroad on the west side of a large agricultural ditch bisecting the project area.
- Alternative B: This alternative would follow an alignment similar to NWTRPA's preferred alternative but would be located on the eastern side of the agricultural ditch bisecting the project area.
- Alternative C: This alternative was originally proposed by TDOT; and would parallel the east side of SR 22 from the Port of Cates Landing to a connection with the Tennken Railroad north of Tiptonville.
- Alternative D: This alternative would extend eastward from Port of Cates Landing roughly parallel to Levee Road to a connection with the Tennken Railroad north of Tiptonville.
- No Action Alternative: If the Board were to deny NWTRPA's petition to construct and operate a railroad, then NWTRPA would not construct the proposed rail line.

Section 2.0 of this DOPAA discusses the five alternatives in detail. OEA has eliminated the Levee Road Alternative from further consideration in the EA, and will analyze the environmental impacts of the other four alternatives.

1.5 Decisions to be made

This DOPAA will be used to guide the development of the EA and to ensure the decision-making process for the Proposed Action is based upon a thorough understanding of the environmental consequences that include protecting, restoring, and enhancing the environment, and are in a manner consistent with the Council on Environmental Quality standards for environmental stewardship should the Proposed Action be approved for implementation.



1.6 Lead and Cooperating Agencies

The Interstate Commerce Commission Termination Act of 1995 (Publication L, pages 104-88; page 109, Statute 803) established the Board, the successor agency to the Interstate Commerce Commission, an economic regulatory agency that Congress charged with resolving railroad rate and service disputes and reviewing proposed railroad mergers. The OEA is responsible for conducting the environmental review of the NWTRPA project on behalf of the Board.

To assist in conducting the NEPA environmental analysis, OEA approved EnSafe Inc. to act as the Board's independent third-party consultant, in accordance with the Surface Transportation Board's environmental regulations. EnSafe worked on behalf of the NWTRPA and solely under the OEA's direction, supervision, and control throughout the environmental review process.

This DOPAA is complementary to, but separate from the Northwest Tennessee Regional Harbor Finding of No Significant Impact and EA developed by COE Memphis District in August 2004 (COE Memphis District 2004). The Proposed Action presented in that EA/Finding of No Significant Impact resulted in the construction of the current slack water harbor in 2009 and the associated port facility in 2011. Because the COE Memphis District has specialized knowledge and expertise regarding the project area, the COE Memphis District has agreed to be a cooperating agency in this NEPA action.

2.0 DESCRIPTION OF PROPOSED ACTION AND ALTERNATIVES

This section describes the alternatives that OEA will consider in its analysis of the potential environmental impacts that could result from NWTRPA's proposed construction and operation of the rail line. To identify potential alternatives, OEA applied the following criteria based on the purpose and need of the proposed project:

- The rail line must connect with the Port of Cates Landing facility.
- The rail line must provide direct access to the planned Lake County Industrial Park.
- The rail line should be located outside of the 100-year floodplain.
- The rail line alignment should avoid potential impacts to the watershed of Reelfoot Lake (Hydrologic Unit Code 0801020204).



Three routes meeting the general criteria above were considered; and include:

- 5.5 mile rail line to connect with Tennken Railroad at milepost 32.5 on either side of the main stream
 - West of the main ditch
 - East of the main ditch
- 5.5 mile rail line east of the SR 22 right-of-way

2.1 Alternative A (NWTRPA's Preferred Alternative)

NWTRPA's Preferred Alternative is Alternative A. Figure 2-1 shows the location of this alternative in the project area. The rail line would begin at a "wye junction" connection with the Tennken Railroad north-northeast of Tiptonville, Tennessee and would extend in a northwesterly direction before crossing the stream and turning due north.¹ The alignment would remain to the west of the stream north of the crossing. Approximately three miles from the wye junction, the rail line would bisect the proposed Phase I of the Lake County Industrial Park. Approximately 2.5 miles beyond the industrial park, the rail line would terminate at the Port of Cates Landing.

The rail right-of-way would traverse open farmland primarily along existing property boundaries. With the exception of residences located adjacent to the existing Tennken rail line, Alternative A would not be located adjacent to or near residential areas. Excluding residences adjacent to the existing rail line, the closest residential building would be approximately 0.1 miles from the alignment and all other residences would be located more than 0.5 miles from the alignment, based on preliminary engineering plans. The Northwest Correctional Complex is approximately 1.0 miles from the proposed rail alignment. Compared to the other alternatives under consideration, Alternative A would require NWTRPA to purchase the smallest area of right-of-way and would affect the smallest number of landowners.

Preliminary investigations have not identified any significant wetlands, waterways, historic structures, or Native American cultural resources within the area of potential effect.

¹ A wye junction is a triangular shaped arrangement of rail tracks where two rail lines join in order to allow trains to pass from one line to the other line and/or used for turning railway equipment.



Legend

- +— Existing Railroad — Stream
- +— Alternative A

0 2,500 5,000
Feet



Figure 2-1
Alternative A
Cates Landing, Tennessee

X:\Cates_Landing\Alternative_A.mxd



2.2 Alternative B

Alternative B would follow a similar alignment as Alternative A. The rail line would begin at a “wye junction” connection with the Tennken Railroad north-northeast of Tiptonville, Tennessee and would extend in a northwesterly direction until reaching the stream and turning due north (Figure 2-2). The alternative would remain to the east of the stream from this point. Approximately three miles from the wye junction, the rail line would bisect the proposed Phase I of the Lake County Industrial Park. Approximately 2.5 miles beyond the industrial park, the rail line would terminate at the Port of Cates Landing.

Alternative B would traverse open farmland primarily along existing property boundaries. With the exception of residences located adjacent to the existing Tennken rail line, the alignment would not be located adjacent to or near residential areas. Excluding residences adjacent to the existing rail line, the closest residential building would be approximately 0.1 miles from the alignment and all other residences would be located more than 0.5 miles from the alignment, based on preliminary engineering plans. The Northwest Correctional Complex is approximately one mile from the proposed rail alignment.

Preliminary investigations have not identified any significant wetlands, waterways, historic structures, or Native American cultural resources within the area of potential effect for this alternative.

2.3 Alternative C

Alternative C would be constructed to the east of and parallel to the right-of-way of SR 22 north of Tiptonville, Tennessee, as shown in Figure 2-3. The alternative was proposed by TDOT to coordinate with the recent infrastructure improvements to SR 22.

The alignment would begin at a “wye junction” connection with the Tennken Railroad north-northeast of Tiptonville, Tennessee about 0.25 miles north of the intersection of SR 22 and SR 78, and proceed north, closely following the east side of SR 22 (Figure 2-3). Approximately 1.25 miles south of Levee Road the rail line would leave the SR 22 right-of-way and would continue due north across open farmland to Levee Road. Approximately three miles from the wye junction, the rail line would bisect the proposed Phase I of the Lake County Industrial Park. After crossing Levee Road, the rail line would terminate at the Port of Cates Landing.

Alternative C would cross two streams (about 0.45 miles and 1.55 miles north of the wye junction, respectively). Excluding residences that are already adjacent to the existing rail line, the closest residential building would be located 0.1 miles from the alignment, while the all other residences



X:\Cates_Landing\Alternative_B.mxd

Legend

- +— Existing Railroad — Stream
- +— Alternative B

0 2,500 5,000
Feet



Figure 2-2
Alternative B
Cates Landing, Tennessee



Service Layer Credits: Source: Esri, DigitalGlobe, GeoEye, i-cubed, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community; Some railroad data were approximated from Forcum Lannom Contractors, LLC. data; Some road data are from the United States Census Bureau.



would be located more than 0.5 miles away. The Northwest Correctional Complex is approximately one mile east of the proposed rail alignment.

Preliminary investigations have not identified any significant wetlands, waterways, historic structures, or Native American cultural resources within the potentially affected area (TDOT 2008).

2.4 No Action Alternative

The No Action Alternative serves as a benchmark that enables decision-makers to compare the magnitude of environmental effects of the action alternatives. The No Action Alternative would maintain the current status quo for the Port of Cates Landing: the Port of Cates Landing would continue operations by limiting the activities to barge and truck traffic, and no rail line would be built to directly connect the Port to Class I rail traffic.

Under the No Action Alternative, the rail traffic that would provide prioritized non-stop deliveries of containerized shipments, truck trailers, grain, and aggregates would not be available to the Port of Cates Landing or Lake County Industrial Park. SR 22, the two-lane super highway, would remain the primary route for ingress and egress of shipments for the Port, and trucks would remain as the sole carriers to support barge traffic. Preliminary estimates of the annual average daily traffic on SR 22 are projected to climb from between 7,620 automobiles to 8,400 automobiles in 2012, to between 15,240 automobiles to 16,110 automobiles in 2032. These numbers are based upon the Port of Cates Landing operations as well as the planned intermodal Lake County Industrial Park.

No purchasing of lands for the rail line right-of-way would occur and no lands would be removed from cultivation within the proposed right-of-way as a result of not implementing the proposed action. No direct environmental impacts would result from the construction and operation of the rail line. However, there may be environmental impacts related to over-the-road trucking if it is assumed that the Port will still grow as planned without relying on the rail traffic to augment barge and truck transport. The impacts could include increased regional air pollution from additional trucks on the road, and greater potential for accidents with increased trucking resulting in more injuries and/or the release of hazardous substances. These impacts will be discussed in the appropriate chapters of the EA.



2.5 Alternative Considered but Eliminated from Detailed Study

One alternative was considered early in the process but eliminated because of public concern regarding potential impacts to Reelfoot Lake, Reelfoot Lake State Park, and Reelfoot Lake National Wildlife Refuge.

Alternative D

This alternative would involve the construction and operation of a railroad encompassing a similar footprint and connectivity as the alternatives described above and as shown in Figure 2-4. The alignment would extend from the Port of Cates Landing east and parallel to Levee Road before crossing Levee Road and connecting to the existing rail infrastructure at Highway 78. At approximately 3.6 miles in length, this alternative would decrease total costs associated with rail construction and operation.

OEA eliminated this alternative from further consideration because a portion of the alignment would be located in the watershed of Reelfoot Lake, Reelfoot Lake State Park, and Reelfoot Lake National Wildlife Refuge. Reelfoot Lake is a natural lake that was formed when the area subsided during the New Madrid earthquakes of 1811 and 1812. The lake supports a unique ecosystem of bald cypress forest and wetlands that provide habitat for bald and golden eagles as well as many species of freshwater fish and waterfowl. Reelfoot Lake State Park and Reelfoot Lake National Wildlife Refuge have nearly one million visitors annually, and generate an estimated \$22 million a year in total economic impact to the area.

During the scoping process for the 2004 EA, COE Memphis District received comments from local residents expressing concern regarding the potential for temporary or cumulative impacts to Reelfoot Lake. Based on the information available to date, OEA believes that the consideration of the Levee Road Alternative would not serve any reasonable purpose. It seems likely that including this alternative in the substantive environmental analysis would introduce a new set of environmental impacts of great concern to the local community and local state and federal agencies tasked with managing Reelfoot Lake. In its review of existing data, communications with applicable agencies, and during the course of site visit to Lake County in May 2014, OEA has not been made aware of any information suggesting that the potential environmental impacts in any resource area could be reduced or eliminated by the approval of this alternative.



Service Layer Credits: Source: Esri, DigitalGlobe, GeoEye, i-cubed, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community; Some railroad data were approximated from Forcum Lannom Contractors, LLC. data; Some road data are from the United States Census Bureau.



2.6 Comparison of Impacts

The EA will evaluate the four alternatives: Alternative A, Alternative B, Alternative C, and the No Action Alternative to determine their potential direct, indirect, and cumulative effects on the physical, environmental, cultural, and socioeconomic aspects. In the EA, OEA will evaluate potential impacts to the following resource areas:

- Noise
- Air Quality
- Geology and Soils
- Water Resources
- Biological and Natural Resources
- Cultural and Archeological Resources
- Aesthetic and Visual Resources
- Land Use
- Infrastructure
- Socioeconomic Resources
- Environmental Justice
- Human Health and Safety
- Hazardous Materials and Waste

During the EA process, consultation and coordination with applicable agencies as well as seeking public input will be undertaken. All relevant data, comments, and concerns will be addressed before the Final EA is published.