

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency
Maryland State Office
339 Busch's Frontage Road, Suite 104
Annapolis, MD 21409-5561

**ENVIRONMENTAL ASSESSMENT
FOR FARM LOAN PROGRAM PROJECT**

**Class II Environmental Assessment
for Maryland based producer with operations in
Worcester County, Maryland at
Tax Map 78, Grid 4, Parcel 105**

August 20, 2012

COVER SHEET

Proposed Action: The Farm Service Agency of the United States Department of Agriculture proposes to issue a guaranteed loan to fund the construction of four poultry houses and a manure structure in Worcester County, Maryland on a farm tract identified as Tax Map 78, Grid 4, Parcel 105. Based on comments received during the initial Environmental Assessment (EA) scoping and consultation process, the Farm Service Agency (FSA) has prepared the attached draft addressing said comments and related concerns, and proposes establishing a Finding of No Significant Impact (FONSI.)

Type of Statement: This is a Class II site-specific Environmental Assessment performed in conformation with the scope and limitations of the National Environmental Policy Act (NEPA.)

Lead Agency: Farm Service Agency (FSA) United States Department of Agriculture (USDA).

Cooperating Agencies: USDA, Farm Service Agency is tasked with completing the environmental analysis concerning this project. Input and assistance were provided by USDA's Natural Resource Conservation Service (NRCS) who has worked with the applicant in regard to formulating an appropriate / nutrient waste management plan, as well as an appropriate conservation plan and related land clearing and wetland assessments as warranted.

The Maryland State Clearinghouse for Intergovernmental Assistance was consulted and input requested from their cooperating agencies including (but not limited to) the Maryland Historical Trust /State Historical Preservation Officer (SHPO,) State Departments of Natural Resources, and Environmental which also encompasses those charged with Coastal Zone Management (CZM.), and Worcester County.

The U.S. Fish and Wildlife Service was similarly consulted as was the Maryland Department of the Environment in regard to the requisite Notice of Intent (NOI) for the Maryland General Discharge Permit for Animal Feeding Operations, applicable to Concentrated Animal Feeding Operations (CAFO's) and Maryland Animal Feed Operations (MAFO's)

which became effective December 1, 2009 as well as pertinent storm water and sediment control plans and permits.

Further Information: E. Philip Whitman, Farm Loan Officer
USDA, Farm Service Agency
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Abstract (Summary): The purpose of the project is to increase the landowner's ability to produce integrated poultry in Worcester County Maryland. Construction of three poultry houses, (each being 46' x 560' outside dimension) is proposed at the site. Upon completion of the proposed construction, the farm will have the capacity to house an additional 100,800 birds, bringing the farm's total capacity to 276,800 birds based on the industry standard density of 0.75 birds per square foot of interior space.

Comments: While not required, it is recommended that comments be put in writing. Comments from interested parties concerning the environmental impact of this proposal should be directed thru:

UDSA, Farm Service Agency
Farm Loan Programs
ATTN: E. Philip Whitman
Farm Loan Officer
30730 Park Drive
Princess Anne, MD 21853

The comment period will conclude fifteen (15) days from the final publication of the Notice of Availability (NOA) of the findings of this draft evaluation. No further action will be taken on this proposal until after the conclusion of the comment period. Said comments will be considered and incorporated into the final assessment.

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Introduction:

1. Project Description and Need

The applicants are existing integrated poultry producers whose current base of operations is located at 3347 Betheden Church Road, Worcester County Maryland where they reside and produce poultry per a contractual agreement with Tyson Foods, Inc. (Tyson) in 6 poultry houses having capacity to house approximately 176,000 birds. In the interest of generating additional farm income to sustain their family, the applicants are seeking to expand the integrated poultry operation on their existing farm tract.

The site of the project is located in Worcester County Maryland at 3347 Betheden Church Road, east of the town of Pocomoke. The proposal entails the construction of three, 46 'x 560' (outside dimension) poultry houses having the capacity to house a maximum of 100,800 birds. This will bring the total farm capacity to 276,800 birds based on the industry standard density of 0.75 birds per square foot of interior space. The farm presently has two litter / manure waste storage sheds, with a third manure shed to be added, the total capacity of which will be of sufficient for a farm of this size. The integrator (Tyson) has agreed to continue placing birds on the expanded facility, and is providing an updated contract for this purpose.

The project is needed to generate annual income necessary for the support of the farm family and will also contribute to the integrator's ability to meet the demands for a supply of poultry for human consumption.

2. Primary Beneficiaries and Related Activities

The primary beneficiary of this project will be the applicants, who are owners and operators of the farm. The income produced by the project will provide the applicants with an economically viable means of support to pay mortgage payments to lenders, to pay operating expenses to utility companies and various suppliers, as well as to provide for reasonable and necessary family living expenses of the farm family to maintain a fundamental standard of living.

The integrator, will in turn, provide additional employment for local people in jobs such as field representatives, feed mill operators, processing plant workers, truck drivers, and construction workers. In addition, the increased volume of poultry production will help contribute toward providing a readily available low cost food supply for the American public.

3. Description of the Project Area

The project site is located on a tract of land containing approximately 39.41 acres, located in the southern section of Worcester County, Maryland. A location map, aerial photo and layout drawing can be found in Appendix E. Copies of these documents were attached to the scoping letters sent to potentially interested agencies as part of this assessment. Appendix E also contains a copy of the legal deed description and other pertinent maps and information.

The tract currently consists of 39.02 acres of open ground including the existing homestead. There is a shallow ditch bordering the site's road frontage. There is a drainage ditch on the southern border of the property which provides for drainage. With the guidance of NRCS, plans call for a series of grassed waterways / swales between the new poultry houses, with underground outlets to collect and convey surface water to a suitable retention pond.

A "Highly Erodible and Wetland Conservation Determination" was previously completed by NRCS, and it established that there are no HEL soils on the farm. A site survey shows that there is a small area of non-tidal wetlands in the southern corner of the farm. A buffer impact area has been established and no soil disturbance will take place within the non-tidal wetland area. The site is currently improved with a modest residence, six broiler houses, and associated storage buildings.

Surrounding lands for several miles are comprised of both wooded and crop acreage interspersed with rural residences. There are currently a number of similar poultry operations in the general area.

The proposed construction site is located in an open area on the back of the farm tract. The proposed construction will conform with all applicable Worcester County Maryland building setback requirements as well as applicable requirements of the Maryland Department of the Environment and Maryland (MDE) Department of Natural Resources which encompasses Coastal Zone Management (CZM.) The proposal has been submitted to Worcester County Maryland for review and issuance of the requisite Zoning Permit before the project can be approved. Similarly, an MDE General Discharge Permit for Animal Feeding Operations, General NPDES Permit and Stormwater Discharge Permit are also necessary requirements which must be met for approval of the proposal.

4. Alternatives Including the Proposed Action

4.1 Description: There were five alternatives considered for this project. These alternatives were developed after careful consideration of the proposed project and determining the best possible location for the proposed project that would produce the least possible environmental impact and minimize impact on the operation itself. These alternatives represent a range of alternatives, with three alternatives being eliminated from further analysis.

The following sections examine and compare the alternatives in terms of their potential environmental impact and their ability to achieve the purpose of the project.

4.1.1 Alternative A – No Action Alternative: The no action alternative would consist of FSA not approving the loan and thus, not allowing the construction of the proposed project. This alternative would not allow the applicant to expand his poultry operation and thus limit his ability to generate the additional income required to support his family and debt service.

4.1.2 Alternative B – Proposed Action Alternative: Under the proposed action alternative, FSA would approve the loan as proposed, allowing the proposed construction to provide related farm income for the applicant.

4.1.3 Alternatives C, D, E - Optional Alternatives Considered: In the search for reasonable alternatives none could be identified. The following alternatives were eliminated from further analysis as not being practical:

- Alternative C - Relocate on Current Property: This alternative would involve the applicant placing the operation in a different location on the farm tract. This would require that the poultry houses be built in the area near the county road.
- Alternative D - Relocate on a Different Property: The applicants have already established their operation on this property. There is currently no other appropriate property available in the area that would be as well suited for the proposed project. Without a specific location and description of a different site, it is difficult to fully analyze potential environmental impacts with the proposed project.

- Alternative E – Engage in a Different Form of Agricultural Production: The applicants could consider utilization of the site for crop or other livestock production as an alternative means of generating annual farm income. Given the limited size of the farm tract, the rate of return to the farm family would be nominal and would not justify the related costs and chattel acquisition expenditures: therefore it would not achieve the intended purpose of the project.

4.2 Cumulative Effects: This is a localized project of limited scope; therefore the environmental factors will be minimal and further mitigated by the conformance with the provisions of a site specific and approved comprehensive nutrient management plan (CNMP) designed to address the animal waste generated by confined animal feeding operations (CAFOs.)

4.3 Summary of Environmental Consequences: Any minor localized negative impacts this poultry operation may have on the human environment will be minimized by the proper implementation and adherence with the provisions of the NRCS approved CNMP devised for the CAFO operation and on file with the Maryland Department of Agriculture (MDA) and Maryland Department of the Environment (MDE), as well as compliance with applicable State and County permitting processes and setback requirements.

4.4 Preferred Alternative: The most beneficial alternative is that of FSA approval of the loan as proposed, allowing the construction of the poultry houses at the site of the proposed operation and providing the requisite annual farm income for the applicant.

5. Environmental Impact

The following section examines the potential environmental impacts associated with the proposed action alternative. The no action alternative is considered the current condition and provides a baseline in which to evaluate the potential impacts of the proposed action against.

5.1 Air Quality: The Maryland Department of the Environment (MDE) monitors and regulates air quality in the State per the mandates of the Federal Clean Air Act, the Maryland Healthy Air Act and the Code of Maryland Regulations for Air and Radiation (COMAR.) The project as proposed will fully comply.

Open burning is strictly regulated by the state and accordingly the waste and refuse generated on site from construction, or ongoing operations, will

be removed and not burned. Bird mortality will not be incinerated but disposed of via the more environmentally favorable method of composting. The three emergency generators, which do not require a permit, will use only low sulfur fuel. The new poultry houses will be built in a location that meets all set-back requirements from property lines, structures, ditches, etc as required by State of Maryland and Worcester County regulatory agencies and the U.S. Environmental Protection Agency (EPA). This will serve to reduce the public's contact or exposure to odors.

Odor from the poultry facility is not measurable or regulated in the County. Dilution of odors is caused through the mixing of odors with ambient air. This dilution of odorous air is a function of distance, topography, and meteorological conditions. The proposed action orients the poultry operation vent fans and composting / litter management areas in a direction away from the public and area residents. By maximizing the distance between potential odor sources and the public, the potential for odor complaints will be minimal.

The use of the management practices specified in the approved CNMP will also serve to reduce objectionable odors. The poultry houses will be cleaned out per integrator specifications and top crusted between flocks on an as-needed basis. Poultry waste / litter will be removed from the site, and will only be stored on the property in a temporary or emergency situation. The plan provides for the construction of adequate litter / manure storage capacity and addresses the proper handling of this stored material.

Dust generated while the poultry facility is in operation will occur mostly during feeding, with the dust being controlled by a mist system in the houses and interior fans. Good management of the ventilation system within the poultry houses will aid in the reduction of humidity, which is a cause of objectionable odors.

Topographical features can either enhance dilution or reduce dilution of odors depending on the particular features. Wind breaks, vegetative buffers or tree lines serve to enhance CO₂ / O₂ exchange and thus encourage mixing of the odorous air with clean air, and when coupled with the distance of the poultry houses from the public, result in intermittent local minimal odor impacts. The poultry houses will be constructed in a location which adjoins wooded tracts on two sides. Based on the climate of the eastern seaboard of the United States, there will be a few days in the year where weather conditions can cause odor to hang in the area, however, this will be a short term non-significant impact.

Construction activities will generate minor localized dust problems that will be temporary in nature with no significant long-term impact on air quality

after completion of the construction phase. If conditions become too dusty during construction, soil may be wet down to control fugitive dust. Short term localized temporary air pollution will occur from the potential heavy machinery associated with constructing pads for the poultry houses; however, these emissions will not have a significant or even long-term adverse impact on the local community or surrounding environment. Appropriate driveways are in place to allow for delivery trucks one to three times per week and for others to enter and exit the farm as needed while minimizing dust impacts.

Existing air quality in the area is considered good and will remain so after the proposed poultry operation is up and running.

- 5.2** Water Quality: The project was reviewed to determine migratory pathways for surface and ground water and potential impacts on both surface water and groundwater. The two major nutrients of concern are phosphorus and nitrogen which are water soluble. The subject property is in the Lower Pocomoke Watershed which is part of the Chesapeake Bay Watershed. The subject site is not situated within the 100 year flood plan.

The major concern with a contained animal feeding operation (CAFO) is the contamination of surface and groundwater by animal waste. Accordingly, the project's operators will be required to follow the approved, site specific, CNMP which addresses animal waste management. It was developed by NRCS for the operation, and reviewed and approved by both NRCS and the Worcester County Soil Conservation District. The document is on file with the Maryland Department of Agriculture. It is also part of the requirements of the Maryland Department of the Environment for their Maryland Animal Feeding Operation (MAFO) permit. The practices outlined in this approved plan will allow the operators to sufficiently control any runoff from the operation so that water quality will not be adversely impacted.

- 5.2.1** Ground Water: This farm will be operated under the specifications of an approved CNMP. This is a dry litter operation and not a wet litter operation. Litter will be removed from the farm and the requisite records kept for inspection and monitoring. Any litter stored will be done so in accordance with the NRCS and MDE approved CNMP plan in a fashion that prevents the litter from being leached until it can be properly disposed of.

- 5.2.2** Surface Water: There are no interconnected roadside ditches bordering the property. There are private farm ditches on and bordering the project site for the purposes of improving cropland drainage. The nearest source of surface water is Jones Ditch

situated about three tenths of a mile to the west of the project site. The site specific measures outlined in the approved CNMP will ensure that surface water is not significantly adversely impacted by the proposed poultry operation in that it is required to meet specific technical standards designed to minimize the transport of nitrogen and phosphorus to surface water. In addition, a discharge permit from the Maryland Department of the Environment, along with a Stormwater Management Plan approved by Worcester County, are required.

5.2.3 Sole Source Aquifer: There are no sole source aquifers on this property.

5.3 Solid Waste Management: Semi-solid waste will be generated from the poultry that will be produced by this project in the form of litter. Litter is the animal waste mixed with wood shavings. Clean out of litter is periodically required per the integrator's schedule, with the material to be handled and stored in accordance with the approved NRCS comprehensive nutrient management plan. All litter will be removed from the farm by a handler using appropriate safeguards and records maintained of its disposition. Deceased birds will produce solid waste, which will be disposed of by composting, which is an environmentally safe manner, according to all federal, state and local laws. This is not a liquid waste operation.

5.4 Land Use: The Farmland Protection Policy Act (FPPA) requires that Federal agencies consider alternative sites when applicant's proposal would result in the conversion of important farmland to nonagricultural uses. The United States Department of Agriculture Regulation 9500-3, Land Use Policy, addresses the conversion of other land resources such as prime rangeland and prime forestland.

The project site is currently zoned for agricultural use. Nearby properties are also zoned agricultural and are interspersed with a smattering of single family homes having appropriate residential zoning. The land where the new poultry houses will be constructed presently consists of open cropland that was prior converted for crop production before December 23, 1985. There are no Wetlands nor HEL soils on the site, and a copy of the Producer Data Report documenting this can be found in Exhibit E.

There are no unique or sensitive areas located on, or contiguous to the project site, or otherwise located in immediate proximity. The land is presently not considered important farmland, prime rangeland, or prime forestland. Therefore, the project will not adversely impact any of these important land resources.

- 5.5** Transportation: Traffic volume in the immediate area of the proposed project is only expected to change slightly with the addition of occasional increased deliveries of feed and supplies to the proposed operation.

Feed trucks will make weekly visits to the farm to deliver feed. Service men and flock supervisors will also visit the farm on a periodic basis in much the same fashion as they are currently doing in supplying and servicing existing area operations. Additional transport trucks will make several visits to the property each year to deliver new chicks and transport grown poultry to the processing plant. All traffic to and from the farm will use existing public roads and existing entryways for the farmstead. No new traffic patterns will be developed, and no new upgrades of county roads will be needed. Existing bridges should be sufficient to handle the volume of truck traffic associated with this proposed project. Slight improvements will be made to the existing driveway on the property in order to provide trucks with surface traction and allow for adequate turn ratios in accessing the new poultry houses. The proposed action will not significantly adversely impact human health and safety.

- 5.6** Natural Environment: The farm is currently improved by a modest home built in 1976. The project site is not within a National Natural Landmark, State protected wetland, forestland or wildlife area. No land clearing is required. Wildlife movement around and near this operation would not be adversely impacted.

- 5.7** Human Population:

5.7.1 Social-economic Impacts: This project will not adversely impact the human population of the site area. The existing residence will be occupied by the farm operator. The proposal will not change the population in the area; therefore it will not have any impact on the public, community schools, hospitals, social services, etc. Basic land use will not change. It is not expected that any significant long-term adverse impact will exist because of this project.

5.7.2 Environmental Justice: This proposed operation has been reviewed to ensure that all people without regard to race, color, national origin, or income:

are provided with fair treatment and meaningful involvement with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies have the opportunity to express comments or concerns before decisions are rendered on Federal programs,

policies, procedures, or activities affecting them share in the benefits of, are not excluded from, and are not adversely or disproportionately affected by Federal programs, procedures, policies, or activities.

Per 2010 census the county's population was comprised of 51,454 individuals, living in 22,016 households. The average household contained 2.30 individuals. The population density of the county was 110 people per square mile of land area.

Racially, the county is comprised of 82.0% White, 13.6% Black or African American, 0.3% Native American, 0.7% Asian, and 1.7% from two or more races. The 2010 Census also reported the ancestry of the County's population to be 3.2% Hispanic or Latino.

Age breakdown: 18.3% of the population is under the age of 18, 23.2% are 65 or older, and 51.3% were female. The average household size is 2.37.

The median household income estimate reported by the Census Bureau for 2010 was \$55,487, with median income for a family being \$49,781 while the per capita income was \$31,520. About 10.1% of the population had income below the poverty line.

While the area has a diverse population consisting of several minorities, this project will have no significant adverse impact on them, or the surrounding farms and businesses near the subject farm. No one is being displaced from their jobs or homes because of the loan. This project will not displace minorities or low income families in the area.

The following adverse environment or human health effects have been considered:

Bodily impairment, infirmity, illness or death: This operation presents basically no concern for adverse affects on anyone outside the farm family that will operate this poultry farm. Safety for the farm owner should be a top priority for the operator.

Air, noise, water pollution and soil contamination: This farm will operate under an approved comprehensive nutrient management plan that provides site specific operating guidance to guard against any potential for water or soil contamination. No significant long-term air, noise, water pollution or soil contamination impacts are anticipated.

Destruction or disruption of manmade or natural resources:
None

Destruction or diminution of aesthetic values: None as the new poultry houses will be situated behind a windbreak of clustered sapling growth and not readily visible from the public roadway nor nearby residences.

Destruction or disruption of public and private facilities and services: None.

Destruction or disruption of community cohesion or economic vitality: This is a family farming operation that will only employ a very limited amount of labor outside the farm family; therefore, it will not destruct or disrupt community cohesion or economics.

Displacement of persons, businesses, farms, or nonprofit organization: None.

Isolation, exclusion, or separation of individuals within a community or from the broader community: None.

The denial, reduction in, or significant delay in the receipt of, benefits of USDA programs or activities: Delay or denial of this loan request will have a negative financial effect on the applicant; rising costs of equipment and materials will be costly if approval is not expedient.

This farm is similar to other poultry farms in an area that is populated with similar poultry operations. This loan will have no negative environmental impact on the surrounding communities. This is an undertaking project that will not affect historical properties. This proposed action would not cause any adverse human health or environmental effects to minority or low-income communities in accordance with Executive Order 12898.

- 5.8** Construction: This project will involve the construction of three 46' x 560' poultry houses. Some minor localized soil will be disturbed for the installation of the pads and slight driveway improvements, but will be short-term and not significant. Pads will be constructed of fill dirt and compacted to support the poultry houses. The construction will not take place upon or affect a wetland or highly erodible soils, nor will it impact navigable water or produce significant erosion impacts and thus will be in compliance with all provisions of the Clean Water Act (CWA.) There no

nearby streams or ditches, known to be connected to the navigable waters of the U.S., that will be impacted as a result of this project. In addition, further measures have been incorporated into the design of the project to grade the site to a swale like holding basin to contain runoff. There will be minor localized temporary air quality and noise impacts associated with the brief period of construction; however, it will be short-term and no greater than normal agricultural construction projects of this scale.

5.9 Energy Impact: The project will utilize moderate amounts of energy during operation. The energy used will be electricity, propane gas, and low sulfur fuel for the back up generator. Vehicles used to transport material and supplies to and from the farm will use modest amounts of gasoline. Existing power lines can handle the electrical load utilized by the proposed operation. An adequate supply of propane is available in the area. Power outages sometimes occur due to weather; however, outages rarely occur because of over usage. The poultry houses will have a backup generator that will operate the houses should there be a loss of electrical power in the area. The most recent technology and construction standards will be utilized to minimize energy consumption. Utility services are readily available in the area. The project will not adversely affect the energy supply to the surrounding area.

5.10 Other Special Issues

5.10.1 Noise: Noise issues were reviewed based on both temporary and long-term impacts. During the construction period, low level noise associated with trucks, backhoes, trenchers, forklifts, hammers, movement of materials etc. will be generated. This construction noise will be localized and should occur only during daylight hours, Monday through Friday, except in an emergency. The construction period should not last more than 6 months. Additionally, based on the level of construction associated with poultry houses, the noise levels should not be significantly disturbing to surrounding landowners.

During operation of the proposed project, some noise will occur from the use of the back up generator; however, this will only occur during power outages and once per week for 10-15 minutes for preventative maintenance. Little noise will occur from the poultry, and will have minimal impact as the houses are in compliance with all applicable building setback laws from property lines. Some noise associated with truck traffic is expected, but it will only occur on an infrequent basis as feed is delivered and poultry is transported to and from the proposed project.

5.10.2 Aesthetic Considerations: The proposed poultry houses will be constructed using best management practices and industry standards. The proposed poultry houses will be built in compliance with the Worcester County zoning ordinances and all set back requirements. The new poultry houses will be separated from the County road by an existing buffer strip of clustered saplings that will provide a visual enhancement as they mature. As cost share funds become available, there are plans (as outlined in the CNMP) for the establishment of additional vegetative tree buffers to further minimize any visual impact from neighboring properties. The proposed operation will not produce any significant aesthetic impact.

6. Coastal Zone Management Act

FSA will not participate in any action that does not preserve and protect the nation's coastal resources. Policy is to conform with the goals and objectives of the Coastal Zone Management Act (CZMA) and the Executive Orders of the State of Maryland. The Maryland Department of Natural Resources, Maryland Coastal Program, Watershed Services, administers this program and maintains area boundary maps. This project is located within the Coastal Zone Management area.

The project has been reviewed by the Maryland Clearing House which encompasses reviews by the Maryland Department of Natural Resources as per documents contained in Appendix D. The project will be consistent with the policies of the CZMA in that an updated CNMP is being developed by NRCS, and submitted to Maryland Department of the Environment for approval. There will be no adverse impacts on estuaries nor roadside or public ditches, no known State rare or endangered species are found on the project site and there should be no forest fragmentation.

7. Historic Preservations Regulations

A review of the National Register of Historic Places did not indicate any listed properties within the Area of Potential Effect of the project. There are no buildings or structures in the project area 50 years old or older, nor any indication of the presence of such structures having existed in the past. The Maryland Historic Trust (State Historic Preservation Office) has reviewed the project site as part of the Maryland State Clearinghouse review process and no objections or issues were raised in opposition to the project.

8. Wild and Scenic Rivers

The project will not impact a designated wild or scenic river or portion of it, since there are no wild and scenic rivers in the direct project area. A check of the National Rivers Inventory indicated no listed rivers flow through the property.

9. Threatened and Endangered Species

Section 7 of the Endangered Species Act (ESA) requires that for every proposed project, FSA must make a determination whether the action “may effect” a listed species or its habitat.

The US Fish and Wildlife (USFWS) endangered species listing for Maryland was used to identify documented endangered species and copy can be found in Appendix E. Endangered species of potential concern were the Delmarva Fox Squirrel, Piping Plover and a plant known as the Pigweed Seabeach. Both the Piping Plover and Pigweed Seabeach are associated with coastal area of the Worcester County’s barrier island, Assateague Island, and are not species found inland in the central area of the County where the project is located. The Delmarva Fox Squirrel lives in mature hardwood and pine forests with a closed canopy. The project site’s open fields of grasses, brush and immature vegetative growth are not consistent with the type of habitat were it would be likely to find the Delmarva Fox Squirrel.

A site visit was made to the proposed construction site area on June 28, 2012 and no listed threatened or endangered species were identified as present at that time nor were any nesting Bald Eagles found. Except for occasional transient wildlife, no proposed or federally listed endangered or threatened species are believed to exist within the project impact area.

The USFWS was formally consulted for their concurrence. A copy of their response dated August 15, 2012, is found in Appendix D affirming no further consultation or Biological Assessment is required. Based on these findings, FSA has determined, in coordination with the USFWS, that this project will not affect a listed endangered or threatened species; it will not adversely affect proposed critical habitat for an endangered or threatened species; and the project will not jeopardize the continued existence of a proposed, endangered, or threatened species.

10. Farmland Protection

This proposed project will not convert any important farmland to a nonagricultural use and is therefore exempt from the provisions of this act.

11. Flood Plain Management and Protection of Wetlands

Federal Emergency Management Agency Flood Map 240083 0150A was reviewed. The proposed project will not be located within a 100-year floodplain.

According to information supplied by NRCS, the proposed site for the poultry houses and waste management structure does not contain wetlands. Based on this determination, the proposed project will not violate the requirements of Section 363 of the Consolidated Farm and Rural Development Act, which does not allow loan funds to be used to convert or manipulate wetlands.

12. Coastal Barrier Resource Act

The project is not located within the Coastal Barriers Resource System.

13. State Environmental Policy Act

Maryland environmental policies are implemented and monitored by the Maryland Department of the Environment and the Maryland Department of Natural Resources whose mission it is to protect and manage the state's vital natural resources, protect public health and safety, provide quality outdoor recreation and to serve and educate the citizens of the State about the wise use, conservation and enhancement of the State's environment.

The state requires poultry producers to have a site specific, comprehensive nutrient management plan as part of the permitting process for a Maryland Animal Feeding Operation (MAFO.) The proposed project will be operated under such a plan that was devised and prepared by a NRCS approved Certified Conservation Planner and reviewed and approved by the Worcester County Soil Conservation District and NRCS. The proposal and related CNMP have been submitted to the Maryland Department of the Environment for review and issuance of the requisite MAFO permit for the proposed operation

14. Consultation Requirements of E012372, Intergovernmental Review of Federal Programs

Consultation requirements of EO 12372 do not apply in this case because there are no local regulations or agencies that affect this type of operation in a rural setting.

15. Environmental Analysis of Participating Federal Agency

Various other Federal, State and County agencies were consulted for information and technical guidance in regard to various aspects of the proposed project; however the USDA, FSA is the lead agency tasked with evaluating the environmental impact of the proposed project.

16. Reaction to Project

The project site is located in an agricultural use zone and there are no wetlands involved; accordingly, there has been no requirement for preliminary public notice. Comments have been received from various agencies consulted as part of the scoping processes. These reactions were similar and consistent with those typical for poultry operations, with primary areas of concern being water and air quality.

FSA took all comments into consideration and consulted with the applicant to insure understanding and compliance with all requirements and conditions. All state and county construction/permit criteria will be implemented, along with an approved NRCS conservation/nutrient management plan to ensure, to the extent possible by FSA, that the human environment is protected and that the project is in compliance with all environmental laws and regulations.

In light of compliance, FSA concludes no further review is needed; therefore the assessment process is conditionally concluded with the proposal of a Finding of No Significant impact (FONSI.) Toward finalizing the process, the applicant is required to publish a Notification of Availability of the assessment and the related findings for review and comment. The pending application will not be approved for at least 15 days from the date the public notification is last published. Comments received as a result, will be included and considered before the assessment becomes final.

17. Adverse Impact

FSA findings indicate there will be no significant adverse impacts on the human environment as a result of the proposed project.

18. Mitigation Measures

Mitigation measures have been identified throughout this assessment in the various areas of impact. These measures have been agreed to by the operator and appropriate State and Federal Agencies and will be part of the FSA's conditions for loan approval. The implementation of the approved comprehensive nutrient management plan will be used to control potential problems that have been identified throughout this assessment; this along with the implementation of industry best management construction practices are

appropriate mitigation measures for agricultural construction projects similar in nature to the proposed project.

19. Consistency with FSA Environmental Policies

There is nothing to indicate the proposed project would not be in keeping with the environmental policies of 1-EQ.

20. Environmental Determinations

The following recommendations shall be completed:

(a) Based on an examination and review of the foregoing information and such supplemental information attached hereto, I recommend that the approving official determine that this project will have () a significant effect on the quality of the human environment and an Environmental Impact Statement must be prepared. This project will not have () a significant effect on the quality of the human environment.

(b) I recommend that the approving official make the following compliance determinations for the below-listed environmental requirements.

Not in Compliance	In Compliance	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Clean Air Act
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Federal Water Pollution Control Act
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Safe Drinking Water Act - Section 1424 (e)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Endangered Species Act
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Coastal Barrier Resources Act
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Coastal Zone Management Act - Section 307(c) (1) and (2)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Wild and Scenic Rivers Act
<input type="checkbox"/>	<input checked="" type="checkbox"/>	National Historic Preservation Act
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Archaeological and Historical Preservation Act
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Subtitle B, Highly Erodible Land Conservation and Subtitle C, Wetland Conservation of the Food Security Act
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Executive Order 11988, Floodplain Management
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Executive Order 11990, Protection of Wetlands
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Farmlands Protection Policy Act
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Departmental Regulation 9500-3, Land Use Policy
<input type="checkbox"/>	<input checked="" type="checkbox"/>	E.O. 12898, Environmental Justice
<input type="checkbox"/>	<input checked="" type="checkbox"/>	State environmental laws

(c) I have reviewed and considered the types and degrees of adverse environmental impacts identified by this assessment. I have also analyzed the proposal for its consistency with FSA environmental policies, particularly those related to important farmland protection, and have considered the potential benefits of the proposal.

Based upon a consideration and a balancing of these factors, I recommend from an environmental standpoint that the project:

- Be approved
- Not be approved because of the reasons outlined in Appendix E.

Draft

Signature of Preparer

8/20/2012

Date

E. Philip Whitman

Name of Preparer

Farm Loan Officer

Title of Preparer

****See Part 1 of this handbook for listing of officials responsible for preparing assessment.***

Draft

Signature of Concurring Official

Date

Name of Concurring Official

Title of Concurring Official

State Environmental Coordinator's Review

I have reviewed this environmental assessment and supporting documentation. Following are my positions regarding its adequacy and the recommendations reached by the preparer. For any matter in which I do not concur, my reasons are attached in Appendix E.

Do Not Concur	Concur	
<input type="checkbox"/>	X	Adequate Assessment
<input type="checkbox"/>	X	Environmental Impact Determination
<input type="checkbox"/>	X	Compliance Determinations
<input type="checkbox"/>	X	Project Recommendation

Draft 8/21/12

Signature of SEC Date

Joseph Scott

Name of SEC

21. List of Preparers and Reviewers

This assessment was prepared by E. Philip Whitman and reviewed by Joseph Scott, SEC, who have worked closely with FSA's sister agency, NRCS, the Maryland State Clearinghouse for Intergovernmental Assistance and the Maryland Department of the Environment in gathering information for evaluation as guided by FSA Handbook 1 EQ.

22. References

FSA Handbook 1 EQ – Environmental Quality Programs for State and County Offices, published and maintained by United States Department of Agriculture, Farm Service Agency, Washington D. C. 20250

Farmer's Home Administration (FmHA) Instruction 1940-G, Environmental Program, published and maintained by United States Department of Agriculture, Farm Service Agency, Washington, D. C. 20205.

Code of Maryland Regulations (COMAR), Title 8 Department of Natural Resources and Title 26 Department of the Environment.

U.S. Fish and Wildlife Services website containing a list of threatened and endangered species for Maryland: <http://www.fws.gov/northeast/endangered/>

National Register of Historic Sites website containing a list of historic sites for Maryland: www.nr.nps.gov/iwisapi/explorer.dll?IWS_SCHEMA=NRIS1&.

ATTACHMENTS

Appendix A	Acronyms and Abbreviations
Appendix B	Definitions
Appendix C	Relevant Laws and Regulations
Appendix D	Agencies and Individuals Consulted
Appendix E	Supporting Documents

DRAFT FOR NOA