

# CONSTRUCTION AND OPERATION OF A CURRENCY PRODUCTION FACILITY WITHIN THE NATIONAL CAPITAL REGION ENVIRONMENTAL IMPACT STATEMENT

## RECORD OF DECISION

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### 1.0 Summary

As the Assistant Secretary for Management at the United States (US) Department of the Treasury (Treasury), I have reviewed the Final Environmental Impact Statement (EIS) for the Construction and Operation of a Currency Production Facility (CPF) within the National Capital Region (NCR). The Final EIS, prepared in compliance with the Council on Environmental Quality's (CEQ) Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act (NEPA) of 1969 (40 Code of Federal Regulations 1500-1508) and Treasury's NEPA Regulation (Treasury Directive 75-02), adequately assesses the potential impacts on the natural and human environment of constructing and operating the CPF and is incorporated here by reference. As explained within this Record of Decision (ROD), **Treasury selects the Preferred Alternative for implementation.**

### 2.0 Background

Treasury's Bureau of Engraving and Printing (BEP) is responsible for: manufacturing US currency notes; conducting research, development, testing, and evaluation of counterfeit deterrents; and developing production automation technologies. The BEP's operations are also supported by administrative and security functions. Although non-cash payment options have become more widely available, the number of US currency notes in circulation increased by 43 percent from 2008 to 2016, and the Federal Reserve, the BEP's primary customer, predicts that the demand for cash will continue to rise. More recently, because currency production is prone to increase during adverse economic conditions, the Federal Reserve has significantly increased its currency production orders. Treasury currently operates two CPFs: (1) a facility located in downtown Washington, DC (DC Facility); and (2) a Western Currency Facility (WCF) in Fort Worth, Texas.

The DC Facility consists of two components: (1) the BEP Main Building; and (2) the BEP Annex Building. Treasury has been conducting operations in the DC Facility consistently since 1914, more than 100 years. The Annex Building contains additional office space, materials storage, and other functions necessary to support the DC Facility's Main Building. The DC Facility is also supported by a BEP-leased warehouse in Landover, Maryland that stores additional materials and receives large commercial truck shipments that the DC Facility cannot accommodate on-site. These facilities, however, are inefficient and collectively unable to provide Treasury with a modern currency production capability. Within the DC Facility, production functions are spread across multiple floors and wings of the building, resulting in manufacturing processes that are inefficient and inflexible. Fragmented materials storage across multiple facilities further exacerbates these inefficient production workflows. The DC Facility's configuration also poses safety risks to staff; most worker injuries are related to inefficient materials handling. Further, the downtown location of the DC Facility prevents Treasury from complying with modern physical security standards.

Treasury's WCF began operating in the early 1990s to provide redundant, reliable currency production in the event of any disruption of operations at the DC Facility. Treasury intended the WCF to produce approximately 25 percent of US currency notes each fiscal year; however, due mostly to operational

deficiencies at the DC Facility, the average currency throughput at the WCF is now 60 percent or more of Treasury's total annual production.

Treasury has undertaken a more than 20-year planning process to address the inadequacy of its current facilities in the NCR, including the DC Facility. Treasury has conducted several studies on the current status of currency note production, how to reduce its operational footprint within the NCR, and how to modernize its currency production operations. These studies considered several possible scenarios to achieve these objectives, including renovating the DC Facility and new construction within the NCR. Renovation of the DC Facility would be a major undertaking, requiring the facility to be completely gutted and rebuilt while still remaining operational, and would be substantially more expensive than building a new replacement CPF. Once complete, a renovated DC Facility would still face inefficiency, employee safety, and security concerns that renovation would not be able to address. As such, Treasury determined, and the Government Accountability Office subsequently concurred, that construction of a new replacement CPF was the most efficient and cost-effective option that would enable Treasury to achieve its mission.

### **3.0 Purpose and Need for the Proposed Action**

The purpose of the Proposed Action is to construct and operate a new CPF within the NCR to replace Treasury's insufficient DC Facility. The Proposed Action is needed to replace Treasury's existing DC Facility that is neither able to support modern currency production nor able to support Treasury's, and specifically the BEP's, current and future mission. The condition, configuration, and location of the DC Facility severely limit Treasury's ability to modernize the DC Facility through renovation, rendering modernization of existing facilities an untenable long-term solution.

### **4.0 Proposed Action and Alternatives**

Treasury, on behalf of the BEP, proposed to construct and operate a new CPF within the NCR to replace its existing DC Facility. The Proposed Action will be implemented over an estimated 9-year period, from roughly 2021 to 2029. Construction is anticipated to finish in 2025; Treasury will gradually transition personnel and operations from the DC Facility to the new CPF in phases, likely from 2025 to 2029.

The CPF will be approximately 1 million square feet and will range in height from approximately 40 to 50 feet above ground level. Work production flows at the CPF will be flexible and reconfigurable. The CPF will include ample storage and administrative space to support currency manufacturing. It will be equipped with state-of-the-art technology to automate and track currency manufacturing and operate with greater efficiency than the current DC Facility. The Proposed Action includes various infrastructure features to support manufacturing processes, a multi-component security system, and utility systems.

The building and building systems will be designed with the goal of achieving a Leadership in Energy and Environmental Design (LEED) rating of Silver and will include sustainable features such as rooftop solar panels; non-potable greywater reuse; rainwater harvesting for reuse; low-flow plumbing fixtures; and energy-efficient humidification, lighting, and water heating systems. The Proposed Action will also incorporate, in accordance with Section 438 of the Energy Independence and Security Act, green infrastructure/low impact development features to maintain the pre-development hydrology of the site to the maximum extent technically feasible; such features could include a green roof, permeable pavement, bioretention features, and bioswales, among others. The CPF will also incorporate a public educational experience that includes an exhibition/museum area, tour, and a visitor center/gift shop.

Construction of the CPF will include site preparation activities such as building demolition and removal of existing infrastructure, as required. This will be followed by clearing, grading, leveling, and similar earthwork, while avoiding important environmental resources to the extent feasible. Next, site components, including the CPF, subsurface utility infrastructure, roadways, and parking areas will be constructed in accordance with the final design.

Following construction, Treasury will gradually transition personnel and operations from the DC Facility. The transport of large pieces of equipment and entire production processes will occur in phases to minimize potential disruptions to Treasury's production and distribution operations. When completed, approximately 1,600 employees will work at the new CPF, and currency manufacturing at the DC Facility will be phased out. The operational life of the CPF is anticipated to be 50 years. Treasury will develop, implement, and maintain a Transportation Management Plan for the new CPF to monitor employees' commuting methods, encourage alternate modes of transport, and address public transportation, bicycle, and pedestrian site access.

During all phases of the Proposed Action, Treasury will incorporate Environmental Protection Measures (EPMs), Regulatory Compliance Measures (RCMs), and Best Management Practices (BMPs) to proactively minimize environmental impacts and comply with applicable environmental regulatory requirements. These measures, listed in **Table 2.2-1** of the Final EIS, are considered part of the Proposed Action, not mitigation measures.

As described in **Section 2.3** of the Final EIS, Treasury completed an extensive and thorough alternatives screening process in which it evaluated 81 sites throughout the NCR for their potential to support this Proposed Action. Based on Treasury's iterative evaluation of each site against the screening criteria, Treasury identified one reasonable Action Alternative that would meet the purpose of and need for the Proposed Action. Treasury analyzed this alternative (i.e., the Preferred Alternative) in detail in the Final EIS.

The Preferred Alternative includes construction and operation of a new CPF, as described above, on an available 104.2-acre parcel within the north end of Central Farm in the 200 Area building cluster of the US Department of Agriculture's (USDA) Beltsville Agricultural Research Center (BARC) in Beltsville, Maryland. This alternative was further supported by the Agriculture Improvement Act of 2018 (Public Law [PL] 115-334, § 7602; 132 Stat. 4490, 4825-26 [2018]), which included a Congressional authorization for the USDA to transfer this parcel of real property at BARC to Treasury, subject to specific conditions of the transfer, for the purpose of constructing and operating the Proposed Action.

This parcel is bounded by BARC's northern boundary adjacent to Odell Road, and by Powder Mill Road, which is located just south of the parcel. Poultry Road runs north to south through the parcel, connecting Odell Road and Powder Mill Road. In addition to the main CPF, Treasury will construct a new entrance road connecting the new CPF to Powder Mill Road. Treasury will also construct several minor modifications to Powder Mill Road in the vicinity of the new intersection. The entrance road and Powder Mill Road modifications require construction activities in an additional 18-acre area, bringing the combined Project Site to a total of approximately 122 acres.

Treasury also conducted a detailed analysis of the No Action Alternative in the Final EIS. While the No Action Alternative would not satisfy the purpose of or need for the Proposed Action, this Alternative was retained to provide a comparative baseline against which to analyze the effects of the Preferred Alternative as required under the CEQ's NEPA implementing regulation.

## 5.0 Environmental Consequences

The Final EIS presented a detailed analysis of potential impacts that could occur to each environmental resource area of concern, or technical resource area, within its resource-specific Region of Influence (ROI) under each Alternative. Technical resource areas studied in detail in the Final EIS included: land use, visual resources, air quality, noise, topography and soils, water resources, biological resources, cultural resources, traffic and transportation, utilities, socioeconomic and environmental justice (EJ), hazardous and toxic materials and waste (HTMW), and human health and safety. The impact analysis for these technical resource areas included all reasonably foreseeable potential adverse and beneficial, short-term and long-term, and direct, indirect, and cumulative impacts. A summary of these potential impacts is included in **Table 2.5-1** of the Final EIS.

Overall, and as described in **Table 2.5-1** of the Final EIS, the Final EIS found that implementation of the Proposed Action would potentially result in significant adverse impacts to visual resources, water resources, cultural resources, traffic and transportation, and EJ communities of concern (i.e., due to disproportionate adverse traffic impacts). All technical resource areas would also experience negligible or less-than-significant adverse impacts from construction and/or operation of the CPF; some technical resource areas would be *beneficially* impacted: air quality, noise, utilities, socioeconomics, HTMW, and human health and safety. The No Action Alternative would have no or less-than-significant adverse impacts on all technical resource areas except traffic and transportation. The traffic and transportation resource area would experience both beneficial and significant adverse impacts under the No Action Alternative.

The Final EIS included a detailed analysis of potential cumulative impacts that could result from the Proposed Action when considered in conjunction with past, present, and reasonably foreseeable future actions within the Proposed Action's ROI for each technical resource area. Negligible to less-than-significant adverse cumulative impacts to technical resource areas would occur under the Preferred Alternative primarily from construction activities, increases in roadway users and traffic, and changes to the existing viewshed within the ROI. Potential significant adverse cumulative impacts to water resources, cultural resources, traffic and transportation, and EJ communities would occur under the Preferred Alternative.

## 6.0 Mitigation

Potential adverse impacts that could result from the Proposed Action were proactively reduced to the extent feasible through the inclusion of EPMs, RCMs, and BMPs identified in the Final EIS. These measures are incorporated into the Proposed Action to reduce environmental effects through "mitigation by design." These measures are *not* considered mitigation measures.

For technical resource areas with potential adverse impacts that would not be sufficiently reduced through EPMs, RCMs, or BMPs, Treasury identified additional mitigation measures in accordance with the CEQ's NEPA implementing regulation and Treasury's NEPA Regulation to either:

- (1) Avoid the impact altogether by not taking a certain action or parts of an action.
- (2) Minimize the impact by limiting the degree or magnitude of the action and its implementation.
- (3) Rectify the impact by repairing, rehabilitating, or restoring the affected environment.
- (4) Reduce or eliminate the impact over time by preservation and maintenance operations during the life of the action.
- (5) Compensate for the impact by replacing or providing substitute resources or environments.

Treasury formally commits to implement and monitor each mitigation measure listed below. Treasury will:

### Land Use

- Petition Prince George's County for a zoning reclassification of Treasury's parcel from "Residential" to "Industrial."
- Establish landscape buffers, including appropriate-height vegetation, on all sides of Treasury's parcel to minimize views from off-site areas, to the extent practicable while still meeting site security requirements.

### Visual Resources

- Ensure the permanent security fencing around the parcel perimeter blends with the natural surroundings to the extent possible and does not present an obtrusive, visually distracting, discordant visual impact within the ROI. Fencing material and design character will be open to the extent permitted by security criteria with the understanding that the perimeter fencing shall not appear visually defensive.

- Establish landscape buffers, including appropriate-height vegetation, on all sides of Treasury's parcel to minimize views from off-site areas, to the extent practicable while still meeting site security requirements.
- Develop and implement an exterior CPF lighting plan that minimizes off-site light pollution, such as by using directional lighting that focuses light on areas within the Project Site, while still meeting site security requirements.
- Use a spectrum of light generally perceived as more natural, such as light-emitting diode (i.e., LED), metal halide, or halogen elements.
- Avoid high-intensity discharge (i.e., HID) or fluorescent lights (except compact fluorescent bulbs that screw into standard sockets) on the exterior of buildings.

### **Noise**

- Establish landscape buffers, including appropriate-height vegetation, on all sides of Treasury's parcel to further reduce off-site noise impacts while still meeting site security requirements.

### **Water Resources**

- Modify the limits of disturbance associated with entrance road upgrades and the vehicle entry control facility to avoid diverting approximately 117 linear feet of on-site stream.
- If not already required through the federal and/or state wetland permitting processes, mitigate wetland fills at a 1:1 ratio through on-site or off-site replacement, purchase of wetland mitigation bank credits, or payment of in-lieu fee.

### **Biological Resources**

- Apply voluntary conservation measures to reduce potential impacts to the northern long-eared bat (NLEB), as identified in the NLEB Programmatic Biological Opinion (USFWS, 2016). These measures may include avoiding tree removal activities within the NLEB pup season (i.e., June 1 to July 31).
- Establish landscape buffers, including appropriate-height vegetation, on all sides of Treasury's parcel to minimize views from off-site areas, to the extent practicable while still meeting site security requirements. This mitigation measure will further reduce impacts to the bald eagle nest located approximately 0.6 mile south of the Project Site.
- Construct and maintain stormwater management features to provide as much wildlife habitat value as possible.
- Develop and implement a landscape plan to revegetate Treasury's proposed parcel with native vegetation and micro-habitats (e.g., maintained meadows and additional reforestation) such that it maximizes wildlife values.

### **Cultural Resources**

- Plant native, habitat-appropriate trees and vegetation on the Project Site that limit views of the CPF from off-site portions of the BARC Historic District. This includes limiting the views from 16 nearby BARC-owned historic contributing resources.
- Plant native, habitat-appropriate trees and vegetation along the northern and western boundary of the Project Site to obscure lines-of-sight from off-site areas.

### **Traffic and Transportation**

- Propose, consult with public stakeholders, and ultimately design and implement mitigation measures for Intersections 6, 8, 10, 12, 13, and 14 as detailed in the Transportation Impact Study. Ultimate implementation will be contingent upon receiving approval from appropriate stakeholders.
- Propose, consult with public stakeholders, and ultimately implement mitigation measures for Intersection 7 as detailed in the Transportation Impact Study to minimize safety hazards at this intersection caused by gap acceptance issues. Ultimate implementation will be contingent upon receiving approval from appropriate stakeholders.
- Implement traffic-calming devices (e.g., speed bumps) and/or reduce speed limits along roadways in the local ROI, such as Powder Mill Road, in consultation with local planning authorities. Rumble strips shall be avoided, if feasible, as the existing rumble strips on Powder Mill Road have generated noise complaints from both the surrounding community and BARC employees.
- Incorporate on-site pedestrian and/or bicycle amenities for Treasury employees during the design and construction process.
- Consult with the Washington Metropolitan Area Transit Authority regarding the opportunity to adjust Metrobus routes to serve the CPF more effectively, and, if applicable, to install bus stop shelters, thereby reducing traffic in the local ROI by making public transit more accessible and functional for employees, and improving pedestrian safety by reducing the need for employees to walk along Powder Mill Road to access a bus stop.

### **Socioeconomics and Environmental Justice**

- Issue periodic (e.g., quarterly) informative newsletters containing updates regarding the Proposed Action to residents of Vansville within the Proposed Action's EJ ROI, starting from the date this ROD is signed and continuing through construction and the first full year of occupancy of the CPF (i.e., approximately 2026).
- Tailor the distribution lists based on which EJ communities may be impacted by different components of the Proposed Action.
- Publish the newsletter online, issue via email distribution, and regular mail to interested residents of the listed EJ communities, as necessary to ensure availability. The newsletter will contain Government point-of-contact information for interested residents to contact Treasury with questions or concerns regarding the Proposed Action.
- In addition to the EJ communities, identify other interested project stakeholders who would also prefer to receive the periodic newsletter. Ensure distribution of the newsletter to these stakeholders using appropriate distribution methods developed in consultation with the stakeholders.

### **Hazardous and Toxic Materials and Waste**

- Characterize soils during excavation, particularly in the vicinity of Buildings 252 and 254, and route any contaminated soils for proper disposal in accordance with applicable regulations.

Treasury has adopted all practicable means to avoid or minimize environmental harm from the Selected Alternative as identified in the Final EIS. These mitigation measures will further minimize identified potential adverse impacts to each of these technical resource areas. Importantly, with implementation of these mitigation measures, identified significant adverse impacts to visual resources, water resources, cultural resources, traffic and transportation, and EJ communities of concern will be reduced to less-than-significant levels, specifically as follows:

- Landscape buffers will obscure, in part or in whole, the CPF from public view and reduce potential adverse visual and cultural resources impacts. Ongoing Section 106 consultation, in accordance

with the National Historic Preservation Act, will further minimize potential impacts to the existing historic and cohesive viewscape to the extent practicable. Potential nighttime lighting impacts will be reduced through the implementation of adopted light-related mitigation measures.

- Treasury’s mitigation measure to avoid 117 feet of stream diversion will reduce the amount of impacted intermittent stream from 226 linear feet to 109 linear feet, bringing the total amount of impacted stream below the threshold of significance.
- Mitigation measures to improve seven intersections in the local ROI will eliminate the potential for failing levels of service (LOS) or queue lengths at these intersections, and consequently eliminate significant adverse impacts both to traffic and transportation and to EJ communities that could otherwise be disproportionately impacted by failing traffic conditions at these intersections.

The only mitigation measure that Treasury identified in the Final EIS but cannot commit to implementing is listed below with Treasury’s rationale for not adopting the measure:

### **Water Resources**

- Design the Preferred Alternative to fully avoid Wetland 7 and/or Wetland 8 during construction (and operation) activities (e.g., by adjusting proposed entrance road and Powder Mill Road improvements).

Due the close proximity of Wetlands 7 and 8 to the proposed intersection of Powder Mill Road and the entrance road, it is likely these wetlands cannot be avoided. As the design progresses, however, Treasury will evaluate the feasibility of shifting the location of this intersection to avoid filling both wetlands.

## **7.0 Decision**

Treasury published the Final EIS on June 4, 2021. In accordance with CEQ’s NEPA implementing regulations, Treasury waited at least 30 days after publication of the Final EIS before issuing this ROD. On behalf of Treasury, I have decided to proceed with the Preferred Alternative to implement the Proposed Action.

Treasury identified the Preferred Alternative as such in the Draft and Final EIS because it is the only Alternative that provides a parcel of land in the NCR that meets all of Treasury’s site screening criteria and fulfills the purpose of and need for the Proposed Action. Treasury identified no other potential sites within the NCR that met these requirements. The Preferred Alternative is also supported by the Agriculture Improvement Act of 2018. The No Action Alternative would not satisfy the purpose of and need for the Proposed Action.

Based on the Proposed Action’s potential impacts to the natural and human environment summarized in **Table 2.5-1** of the Final EIS, the No Action Alternative is the *Environmentally Preferable Alternative*.

Under the No Action Alternative, a new CPF would not be constructed; Treasury would continue to operate under current conditions to the extent possible in its existing, deficient, owned and leased facilities. The USDA would continue to own the Project Site and be responsible for managing extant buildings on-site, although none of the buildings would be utilized for USDA operations. The USDA would remain responsible for complying with applicable federal and state regulations, resulting in no or less-than-significant adverse impacts to most technical resource areas. Continued regional growth, however, may lead to failing queue lengths and/or LOS for two intersections in the local ROI, resulting in significant adverse traffic and transportation impacts (see **Table 2.5-1** of the Final EIS).

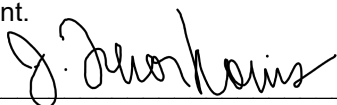
I have considered the information and analysis presented in the Final EIS, including potential environmental impacts and recommended mitigation measures; supporting studies; consultation with Native American Tribes and federal, state, and local agencies; and the comments received from the public during formal review and comment periods.

I have also evaluated our national currency production needs, the BEP's mission requirements, and the purpose of and need for the Proposed Action. I relied upon this information to guide my decision to select the Preferred Alternative for implementation. The existing DC Facility is operationally deficient and cannot be renovated to the extent required to facilitate efficient currency production, including potential future currency manufacturing advancements, and proper security improvements.

Currency production requirements and advancements can best be met by constructing and operating a new CPF in the NCR of sufficient size and with upgraded equipment to facilitate current and future paper currency manufacturing needs; the Preferred Alternative is the only reasonable alternative to achieve this.

I gave special consideration to the potential effects of the Preferred Alternative on all technical resource areas as well as the opportunities for Treasury to mitigate potential adverse impacts; with implementation of the mitigation measures adopted within this ROD, all potential significant adverse impacts from the Preferred Alternative will be reduced to less-than-significant levels. I also accounted for the continued currency production limitations and security concerns that would accompany selection of the No Action Alternative for implementation.

Implementation of the Preferred Alternative and the mitigation measures adopted within this ROD strikes a proper balance between protecting the environment and meeting Treasury's needs and requirements. My decision to select the Preferred Alternative is based on my determination that this alternative best meets Treasury's currency manufacturing needs while balancing its obligations for stewardship of the environment.



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J. Trevor Norris  
Acting Assistant Secretary for Management  
US Department of the Treasury

October 8, 2021

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Date