



**UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration**

*National Marine Fisheries Service*

*P.O. Box 21668*

*Juneau, Alaska 99802-1668*

September 2, 2005

Colonel Timothy J. Gallagher  
U.S. Army Corps of Engineers  
Alaska District  
P.O. Box 898  
Anchorage, Alaska 99506-0898

Re: Passage Canal  
POA-2004-1650-2

Attn: Serena Sweet

Dear Colonel Gallager:

The National Marine Fisheries Service (NMFS) has reviewed the above referenced public notice. The applicant, Alaska Marine Lines, proposes to construct a fill pad for use as an access ramp for the stern loading/unloading of marine cargo from rail barges. The proposed project would require 3,600 cubic yards (cy) of fill to be placed into approximately 0.2 acres of tidelands. Approximately 200 cy of rip rap armor rock would be placed into tidelands for erosion protection. Minor dredging would be required and would occur at low tides.

The marine waters of Passage Canal, including the proposed project site, have been designated as Essential Fish Habitat (EFH) for all species of Pacific salmon, as well as sculpin, sablefish, flathead sole, rock sole, yellowfin sole, Pacific cod, walleye pollock, and arrowtooth flounder. Anadromous fish streams in Passage Canal support runs of chum and pink salmon; these species are likely to occupy the proposed project site at various times of year for feeding and migration. In addition, the Alaska Department of Fish and Game has released coho and Chinook salmon smolts into Whittier Creek and Cove Creek for a sport fishery.

Section 305(b)(2) of the Magnuson-Stevens Fishery Conservation and Management Act requires interagency consultation for any federal action that may adversely affect EFH. Dredging activities can contribute sediment to the marine environment, potentially decreasing fish feeding efficiency, damaging gills, and smothering benthic organisms. Filling tidelands causes the permanent loss of habitat features that support feeding, refuge from predators, and rearing. The proposed project would result in the permanent loss of 0.2 acres of EFH, characterized by mixed hard and soft habitats used by juvenile fish. The Corps has determined that the proposed project may adversely affect EFH. NMFS concurs with that determination and offers the following conservation recommendations:

- (1) All dredge and fill activities should be completed between October 1 and March 31. Outmigrating salmonids (pink salmon) and juvenile marine fish begin moving into the project area in April with large pulses of coho, Chinook, and sockeye by mid-May.
- (2) During dredging activities, a silt curtain should be installed and maintained. The curtain should completely enclose the dredge area, extend to the bottom, and remain in place until



construction is completed and the side slopes have been stabilized. As discussed above, dredging induced turbidity can decrease fish feeding efficiency and smother benthic organisms.

(3) All dredge material must be free of contaminants as per the Alaska Department of Environmental Conservation's dredge material testing plan. Dredging activities have the potential to resuspend contaminants trapped in the substrate into the water column, where they may become biologically available to living marine resources.

(4) The applicant must submit a blasting plan for review and approval by the Corps, in consultation with NMFS. In-water blasting has the potential to injure or kill fish and marine mammals.

(5) A vibratory hammer should be used to drive all sheet pile to the extent practicable. Noise produced by pile driving can injure and kill fish. Vibratory hammers produce less noise than impact hammers.

(6) Compensatory mitigation is appropriate for this project. This project is similar to another project recently constructed in Passage Canal (POA-2005-404-2) for Alaska Marine Lines and our comments and recommendations, regarding compensatory mitigation, will be correspondingly similar. For that project, Alaska Marine Lines agreed to create an artificial reef in nearby Smitty's Cove and we are working together to make that project a reality. NMFS is collaborating with the U.S. Fish and Wildlife Service on a companion reef to the Alaska Marine Lines mitigation reef as part of a greater effort to evaluate the practicality of using concrete-based structures for reefs to provide compensatory mitigation in coastal Alaska waters. As previously coordinated with POA-2005-404-2, NMFS's preferred mitigation for this project is construction of an artificial reef at a compensation ratio of 1:1. Reef construction should be coordinated through the Reefball Foundation (<http://www.reefball.org/>), a 501(c) 3 publicly supported non-profit charity that specializes in reef construction. Construction of a reef should follow the most recent Reefball Foundation construction manual available at the time of construction. The construction manual dictates breaking rates, cement details etc.

NMFS worked with the U.S. Fish and Wildlife Service and the Reefball Foundation to develop reef design recommendations to provide suitable compensation for the habitat that would be lost as a result of the proposed project. Our recommendations concern the conceptual design of a reef needed to offset the loss of 0.2 acres of EFH, and do not include final design details or a cost estimate.

NMFS would like to meet with the applicant, the Corps, local dive groups, and interested resource agencies to discuss details regarding artificial reef design and construction. We are optimistic that such discussions could lead to a feasible mitigation plan to compensate for the habitat that would be affected by the proposed project.

Please note that under section 305(b)(4) of the Magnuson-Stevens Act, the Corps is required to respond in writing within 30 days to NMFS EFH Conservation Recommendations. If the Corps

does not make a decision within 30 days, the Corps should provide NMFS with a letter to that effect, and indicate when a full response will be provided. Brian Lance is the NMFS contact for this project, and can be reached at (907) 271-1301.

Sincerely,



Sue Salveson  
Acting Administrator  
Alaska Region

cc: USFWS, EPA, OPMP, OHMP, ADEC - Anchorage  
Alaska Marine Lines, 100 Mount Roberts Street, Juneau, Alaska, 99802  
Tom Mortensen Associates, P. O. Box 113192, Anchorage, Alaska 99511-192  
Records