



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration

National Marine Fisheries Service

P.O. Box 21668

Juneau, Alaska 99802-1668

September 7, 2004

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

Re: POA-2000-152-2
Tongass Narrows

Attn: Mr. Lloyd Fanter

Dear Colonel Gallagher:

The National Marine Fisheries Service (NMFS) has reviewed the above referenced application by the Alaska Department of Transportation and Public Facilities (ADOT&PF) to place 554,000 cubic yards of crushed rock and gravel fill into up to 96.8 acres of waters of the United States including wetlands to construct 8.2 miles of roadway embankment.

Section 305(b) of the Magnuson-Stevens Fishery Conservation and Management Act requires Federal agencies to consult with NMFS on all actions that may adversely affect Essential Fish Habitat (EFH). NMFS is required to make conservation recommendations, which may include measures to avoid, minimize, mitigate or otherwise offset adverse effects. The proposed project would cross five anadromous streams. Juvenile salmon use the inshore area of Tongass Narrows during spring and early summer for feeding and predator avoidance prior to migration out to sea. The inshore area of the project location also provides important habitat for several marine species including arrowtooth flounder, Pacific cod, sablefish, sculpins, walleye pollock, yellow rockfish, and Pacific Ocean perch.

The Corps has concluded that the proposed project will not adversely affect EFH with the incorporation of the proposed mitigation and minimization measures. The minimization measures were developed in coordination with NMFS and substantially reduce the potential impacts to EFH. However, the project would permanently remove intertidal habitat that is used by commercially important fish species. For NMFS to conclude that EFH is adequately protected, the following comments/questions should be addressed:

- In March 2004, NMFS received a letter responding to NMFS' comments on the Draft Environmental Impact Statement (DEIS). Item 21 in this letter states "All eight build alternatives will require fill in the edge of the lowermost segment of Government Creek estuary." As far as we can determine, this fill is not addressed anywhere in the FEIS. We assume that this fill is associated with the road, which is a component of all



alternatives, but it does not appear to have been included in the evaluation of the impacts to EFH. On Figure 3.16, this area is identified as Intertidal Marsh or Meadow; however Table 4-11 indicates that Alternative F1 will not impact any intertidal marsh or meadow habitat. This inconsistency should be explained.

- ADOT&PF is proposing in-lieu fee compensation for unavoidable impacts to wetlands and marine waters. FEIS Section 4.14.1.2, and the July 7, 2004, letter to the Army Corps of Engineers regarding compensation for impacts to wetlands, states that upland wetlands are generally abundant in the project area and because of the lack of development few options exist for wetland restoration and enhancement. NMFS generally agrees with this statement with regard to upland wetlands. However, as the Corps letter acknowledges, intertidal marshes and meadows are relatively rare in southeast Alaska and eelgrass is a habitat area of particular concern. NMFS has not seen evidence that in-lieu fee mitigation adequately compensates for the loss of these habitat types. Furthermore, one of the stated purposes of the Gravina Access project is to increase access to, and presumably development of, Gravina Island. This will result in additional loss of wetlands in the vicinity of the project.


Therefore, instead of in-lieu fee compensation, NMFS recommends that ADOT&PF consider options to acquire intertidal meadow/marsh and eelgrass areas that could be set aside for protection from future development. NMFS recommends that the compensation ratio for this mitigation be set at a minimum of 3 acres preserved for each acre impacted.

- If in-lieu fee mitigation is to occur, the fee should be \$50,000./acre for all eelgrass and intertidal meadows/marshes. Table 4-14 in the FEIS indicates that eelgrass is likely to be adversely affected by the preferred alternative, and it appears possible that potential impacts to estuarine habitat in Government Creek may also need to be added to the total impacted habitat. Under the Clean Water Act, eelgrass and intertidal meadows/marshes are special aquatic sites and therefore high value aquatic habitat. ADOT&PF is proposing an in-lieu fee of \$20,000 per acre for all marine habitat, which is the amount it has proposed under previous projects for moderate value intertidal rocky coastline habitats. High value aquatic habitat has previously been compensated for at \$50,000. per acre.

The above comments constitute NMFS' conservation recommendations on this project in accordance with Section 305(b)(4)(A) of the Magnuson-Stevens Act. Under section 305(b)(4) of the Magnuson-Stevens Act, the Corps is required to respond to NMFS EFH recommendations in writing within 30 days. If the Corps will not make a decision within 30 days of receiving NMFS EFH Conservation Recommendations, the Corps should provide NMFS with a letter within 30 days to that effect, and indicate when a full response will be provided.

Please contact Katharine Miller at 907-586-7643 if you have any questions or for further coordination.

Sincerely,


for James W. Balsiger
Administrator, Alaska Region

cc: Applicant
EPA Juneau, Chris Meade
ADF&G, Janet Schempf
ADEC, Jim Powell
ADNR, USFWS, Juneau