



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

*National Marine Fisheries Service*

*P.O. Box 21668*

*Juneau, Alaska 99802-1668*

April 20, 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-2005-404-2

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 barge and landing craft cargo dock using up to three 62-foot diameter sheet pile cells, up to eight fender piles, approximately 100-feet of linear bulkhead, and three dolphins. The proposed dock project would require 24,000 cubic yards (cy) of fill to be placed into approximately 0.8 acres of tidelands. Approximately 500 cy of material would be dredged from 0.1 acres and used as fill for the project. Maintenance dredging would be required. In-water blasting may be required to remove bedrock.

The proposed construction would be completed in two phases. Phase 1 would be completed during low tide cycles that occur between May 21-30 and June 19-28, 2005. This work would include construction of an access driveway from the uplands onto the tidelands, within the overall footprint of the project. The driveway would require 500 cy of fill into 0.2 acres of tideland. All fill would be placed "in the dry" during low tides. Phase 2 would begin in October 2005 and would include placement of sheet pile cells, fender piles, dolphins and all remaining fill.

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 0.8 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 dredging 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, fender piles, and dolphins to the extent practicable. Noise produced by pile driving can injure and kill fish. Vibratory hammers produce less noise than impact hammers.

(6) All work done on tidelands during low tide cycles that occur between May 21-30 and June 19-28, 2005 must be done during the tide. This construction will occur outside the normal in-water work window (October 1-March 31) and numerous fish will be present at the project site.

(7) Compensatory mitigation is appropriate for this project. As previously coordinated and agreed to by the applicant, NMFS 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 reef ball foundation construction manual available at the time of construction. The construction manual dictates breaking rates, cement details etc.

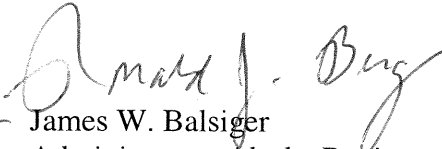
NMFS worked with the U.S. Fish and Wildlife Service and the Reefball Foundation to develop reef design recommendations to provide suitable compensation for the habitat that would be lost as a result of the proposed project. Our recommendations concern the conceptual design of a reef needed to offset the loss of 0.8 acres of fish habitat, 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,

*For*   
James W. Balsiger  
Administrator, Alaska Region

cc: USFWS, EPA, OPMP, OHMP, ADEC - Anchorage  
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