



US Army Corps
of Engineers
Honolulu District

Public Notice of Application for Permit

Regulatory Branch (1145b)
Building 230
Fort Shafter, Hawaii 96858-5440

Public Notice Date: Aug 31, 2011
Expiration Date: September 30, 2011
Permit File Number: POH-2008-00324

Interested parties are hereby notified that an application has been received for a Department of the Army permit for certain work in waters of the United States as described below and shown on the attached drawings.

APPLICANT: Honolulu Marine, LLC, 123 Ahui Street, Honolulu, HI 96813

AGENT: R.M. Towill Corporation, 420 Waiakamilo Road, Suite 411, Honolulu, HI 96817-4941

LOCATION: In Kalihi Channel at TMK portion 112025024 and 112025035, Kapalama, City & County of Honolulu, Oahu, Hawaii. [21.31473°N, -157.89013°W]

WORK: To install a single 120 feet long by 64 feet wide floating dry dock, construct two 15 feet wide by 50 feet long connecting piling-supported dock ramps and a 135 foot long by 30 feet wide piling supported-finger pier in waters of the U.S. and convert 0.53 acres (or about 23,300 square feet) of waters to an upland concrete pavement. The total amount of clean fill material to be backfilled shoreward, and behind the proposed sheetpile bulkhead which supports the concrete pavement has not been specified. The finger pier is proposed to be supported on 32 octagonal pilings, each 20 inches in diameter. The dock ramp is proposed to be supported on 12 octagonal pilings, each also 20 inches in diameter. The method of installing piles (by driving or by drilling) has not been specified. The total amount (in cubic yards) of material to be dredged and the navigable depth to be established also has not been specified.

PURPOSE: To operate a commercial shipyard for the construction, repair and maintenance of maritime vessels

ADDITIONAL INFORMATION: A Conservation District Use Permit (CDUP-OA-3494) was approved on May 8, 2009 for the Honolulu Marine Shipyard. A Special Management Area Use Permit for the Honolulu Marine Commercial Shipyard was adopted by the Council of the City & County of Honolulu on November 12, 2008 (Resolution 080229, CD1). A Final Environmental Assessment for the Honolulu Marine Shipyard at Keehi Lagoon and FONSI was accepted by the Division of Boating & Ocean Recreation, Hawaii Department of Land and Natural Resources (DLNR) on February 4, 2008.

MITIGATION: A permit for the described work will not be issued until a determination is made by the Corps that compensatory mitigation will, or will not be required for the permanent conversion of waters of the U.S.. The applicant has proposed to submit a DLNR- approved Coral Protection Plan to avoid and minimize impacts to the aquatic environment. A draft report prepared by Aecos, Inc., dated October 2, 2009 and titled *Coral impacts and an assessment of impacts for a proposed shipyard site in Ke`ehi Lagoon, Honolulu, Oahu, Hawaii* (AECOS Report No. 1139C) provides the most recent benthic survey.

WATER QUALITY CERTIFICATION: A permit for the described work will not be issued until a certification or waiver of certification as required under Section 401 of the Clean Water Act (Public Law 95-217), has been received from the Clean Water Branch, Department of Health, State of Hawaii

COASTAL ZONE MANAGEMENT ACT CERTIFICATION: A permit will not be issued until the Office of State Planning, Department of Business, Economic Development, and Tourism has concurred with the applicant's consistency determination. Section 307(c)(3) of the Coastal Zone, Management Act of 1972, as amended by 16 U.S.C. 1456(c)(3), requires the applicant to certify that the described activity affecting land or water uses in the Coastal Zone complies with the State of Hawaii Coastal Zone Management Program.

PUBLIC HEARING: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state clearly and concisely, the reasons and rationale for holding a public hearing.

CULTURAL RESOURCES:

The proposed project area is the Area of Potential Effect (APE) considered by this Department of Army (DA) permit application. The Corps has determined that the proposed work has no potential to cause effect to any archaeological, architectural or engineering historic property listed, or eligible for listing, in the National Register of Historic Places. Displaced properties are also absent based on findings contained in the report prepared by Cultural Surveys Hawai`i, Inc., titled *A Cultural Impact Evaluation, Archaeological Literature Review and Field Inspection for the Development of a Small Shipyard at Ke`ehi Lagoon Small Boat Harbor, Kalihi Kai, Kona, O`ahu*.

However, while the proposed project is not expected to result in the loss of historic properties, aquatic organisms or habitat which may be of significance to Native Hawaiian practitioners as a traditional cultural property for subsistence and access purposes will be permanently lost. The Corps has determined, that issuance of a DA permit for the Honolulu Marine Shipyard Project will have "An Effect, Not Likely to be Adverse" regarding access to potential traditional cultural properties likely to be eligible for listing on the Hawaii and National Registers of Historic Places. Written comments and concurrence for this determination from SHPO and interested parties are requested.

This notice has been sent to the State Historic Preservation Officer, the State Office of Hawaiian Affairs, Hui Malama I Na Kupuna and the Aha Kiole Advisory Committee. Any comments they have regarding historic properties and cultural resources will be considered before a final decision is made on the DA permit.

ENDANGERED SPECIES: The Endangered Species Act (ESA) requires federal agencies to consult with the National Marine Fisheries Service (NMFS) and U.S. Fish and Wildlife Service (USFWS) pursuant to Section 7 of ESA on all actions that may affect a species listed, or proposed for listing) under the ESA as threatened or endangered or any designated critical habitat.

The Corps has assessed potential impacts to federally-listed and proposed species in the project area. No vascular plant species, insect, mollusk, fish, and amphibian species listed or proposed for listing under the Endangered Species Act (ESA) were recorded, or observed within the project area (AECOS, Inc., DRAFT Report No. 1139, April 16, 2007), *Water quality and biological surveys of the proposed small boat shipyard site, Ke`ehi Lagoon, Honolulu, O`ahu, Hawaii*).

The project action area is within 100 yards of the proposed project site and any in-water work structures. This distance is subject to adjustment when information is more specific regarding the methods of piling installation. The potential action area also includes the extent of any plumes that may result from inadvertent discharges of wastes, fuels, and lubricants from project-related machinery, equipment and supplies.

Below are the species that occur or have potential to occur within the project area:

Detailed information about the biology, habitat, and conservation status of sea turtles, marine mammals and UFWS-protected species can be found in their recovery plans and other sources at:

<http://www.nmfs.noaa.gov/pr/species/turtles/>,
<http://www.nmfs.noaa.gov/pr/species/mammals/>,
http://ecos.fws.gov/docs/recovery_plan/981201e.pdf, and
http://ecos.fws.gov/docs/recovery_plan/981201c.pdf.
<http://ecos.fws.gov/speciesProfile/fprofile/> and <http://www.fws.gov/pacificislands/fauna/>

Green sea turtles (*Chelonia mydas*), threatened,
Hawksbill sea turtles (*Eretmochelys imbricate*), endangered,
Hawaiian monk seals (*Monachus schauinslandi*) endangered,
Hawaiian stilt (*Himantopus mexicanus knudseni*)
Hawaiian duck (*Anas wyvilliana*)
Hawaiian coot (*Fulica Americana alai*)
Hawaiian moorhen (*Gallinula chloropus sandvicensis*)
Newell's shearwater (*Puffinus auricularis newelli*)
Hawaiian petrel (*Pterodroma phaeopygia sandwichensis*)

This project considered two stressors which have the potential to impact ESA-listed species: disturbance from human activities and equipment operation, and exposure to construction wastes and discharges. The Corps has further determined that the project activities are within the scope of the Standard Local Operating Procedures for Endangered Species in the Central and Western Pacific Region (Pac-SLOPES). As such, the above-water activities of this project with regards to marine protected species would be covered under the programmatic informal consultation completed with NOAA NMFS PRD, under Section 7 of the Endangered Species Act (ESA), on August 6, 2010.

The Corps intends to issue its authorization(s) under the Pac-SLOPES, with the inclusion of the general and special conditions and Best Management Practices (BMPs) outlined in Pac-SLOPES and in accordance with the programmatic consultation.

Conservation measures recommended by USFWS shall be incorporated as conditions of the permit to avoid potential direct and indirect impacts to the above species and their aquatic habitat and environment.

The Corps has preliminarily determined that with the inclusion of all applicable conservation and construction measures recommended by NOAA, PRD and USFWS, the proposed project activities are expected to have insignificant effects to, and therefore will not likely adversely affect threatened

and/or endangered species. The Corps requests comments and written concurrence for this determination from NOAA NMFS PRD and Office of Ecological Services, USFWS.

ESSENTIAL FISH HABITAT: The proposed work is being evaluated for possible effects to Essential Fish Habitat (EFH) pursuant to the Magnuson Stevens Fishery Conservation and Management Act of 1996 (MSFCMA), 16 U.S.C. *et seq* and associated federal regulations found at 50 CFR 600 Subpart K. The Honolulu District includes areas of EFH as Fishery Management Plans. We have reviewed the January 20, 1999, Western Pacific Fishery Management Council's Environmental Assessment to locate EFH areas as identified by the National Marine Fisheries Service (NMFS). In accordance with the Essential Fish Habitat (EFH) requirements of the Magnuson-Stevens Fishery Conservation and Management Act, the Corps has determined that the project, as proposed would not adversely affect EFH.

SPECIAL AREA DESIGNATION: The project area is located within the State Land Use Conservation District. The project area is also located adjacent to an area subject to review by the Airports Division, Hawaii State Department of Transportation and 14th District U.S. Coast Guard regarding compatibility with airspace, homeland and port security concerns.

AUTHORITY: This permit application will be reviewed under the following authorities:

(X) Perform work in or affecting navigable waters of the United States: Section 10 Rivers and Harbors Act 1899 (33 U.S.C. 403).

(X) Discharge dredged or fill material into waters of the United States: Section 404 Clean Water Act (33 U.S.C. 1344). The Corps' public interest review will consider the guidelines set forth under Section 404(b) of the Clean Water Act (40 CFR 230).

EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts, of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered, including the cumulative effects thereof; among those are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people.

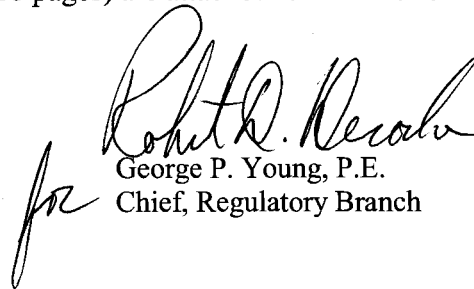
The U.S. Army Corps of Engineers is soliciting comments from the public; Federal, State, and local agencies and officials; and other interested parties in order to consider and evaluate the impacts of this activity. Any comments received will be considered by the Corps to determine whether to issue, modify, condition or deny a permit for the work. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the activity.

COMMENT AND REVIEW PERIOD: Conventional mail or e-mail comments on this public notice will be accepted and made part of the record and will be considered in determining whether it would be in the public interest to authorize this proposal. In order to be accepted, e-mail comments must

originate from the author's e-mail account and must include on the subject line of the e-mail message the permit applicant's name and reference number as shown below. All e-mail comments should be sent to Farley.K.Watanabe@usace.army.mil. Conventional mail comments should be sent U.S. Army Corps of Engineers, Regulatory Branch, Building 230, Ft. Shafter, HI 96848. Both conventional mail and e-mail comments must include the permit applicant's name and reference number, as shown below, and the commenter's name, address, and phone number. All comments whether conventional mail or e-mail must reach this office, no later than the expiration date of this public notice to ensure consideration. Please include the following name and reference number: **POH-2008-00324**.

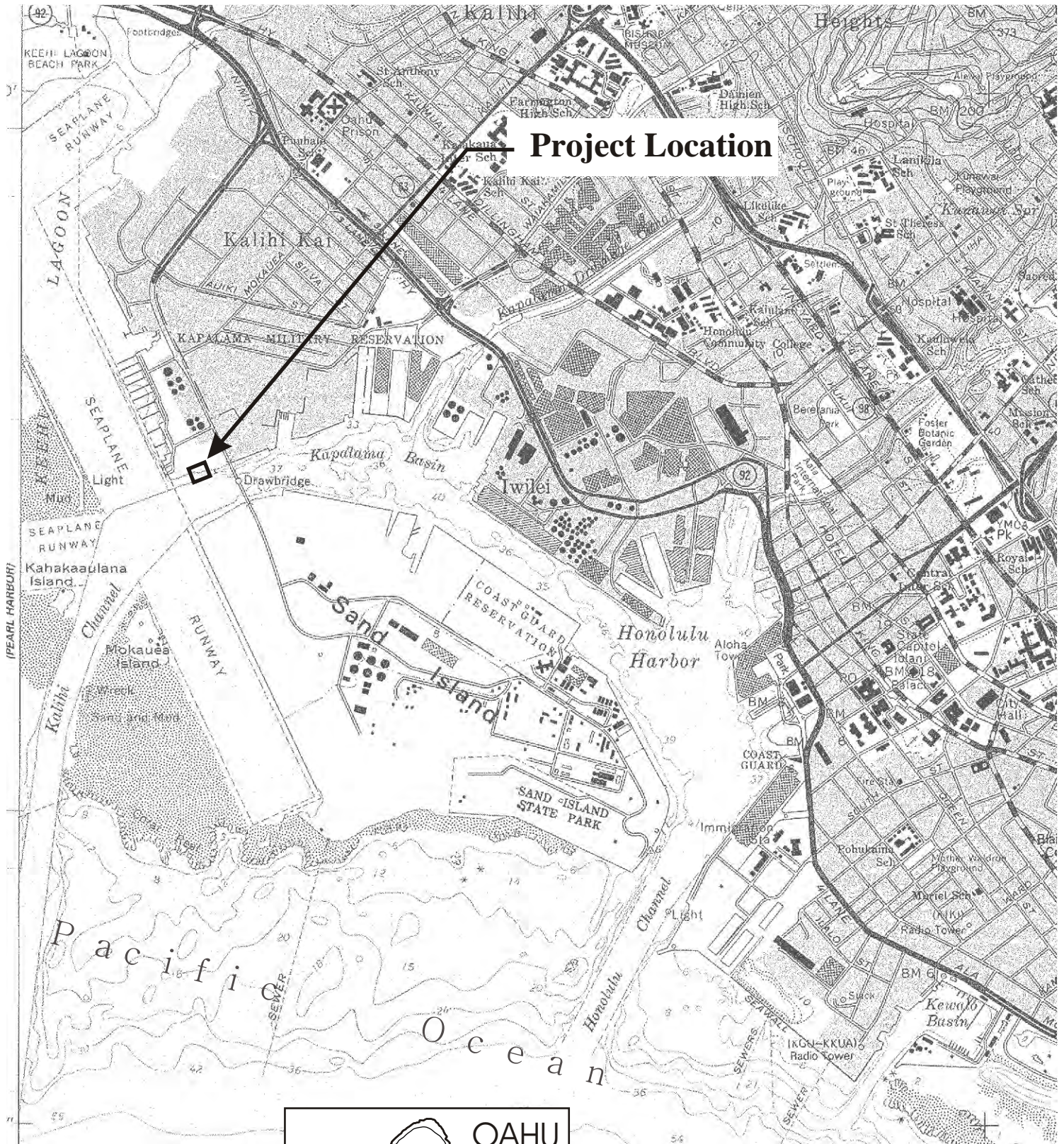
Comments on the described work, with the reference number, should reach this office no later than the expiration date of this Public Notice to become part of the record and be considered in the decision. Please contact Farley Watanabe at (808) 438-7701 if further information is desired concerning this notice.

Project drawings, photographs, and maps (18 pages) are attached to this Public Notice.


George P. Young, P.E.
Chief, Regulatory Branch

For and on behalf of:
Douglas B. Guttormsen
Lieutenant Colonel
District Engineer

Attachments:



Project Location

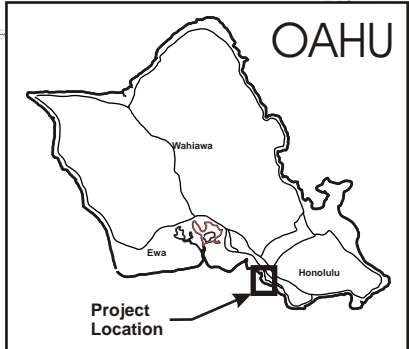


FIGURE 1
PROJECT LOCATION
 Honolulu Marine Shipyard at Ke'ehi Lagoon
 Honolulu, O'ahu, Hawai'i



R. M. TOWILL CORPORATION November 2010

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Ke'ehi Lagoon
Small Boat Harbor

STA. "HARBOR-A"
886.87 N
14145.79 W
ELEV=4.90
MAG. NAV.

— Certified Shoreline
- - - 0-foot Elevation

Tesoro
Site

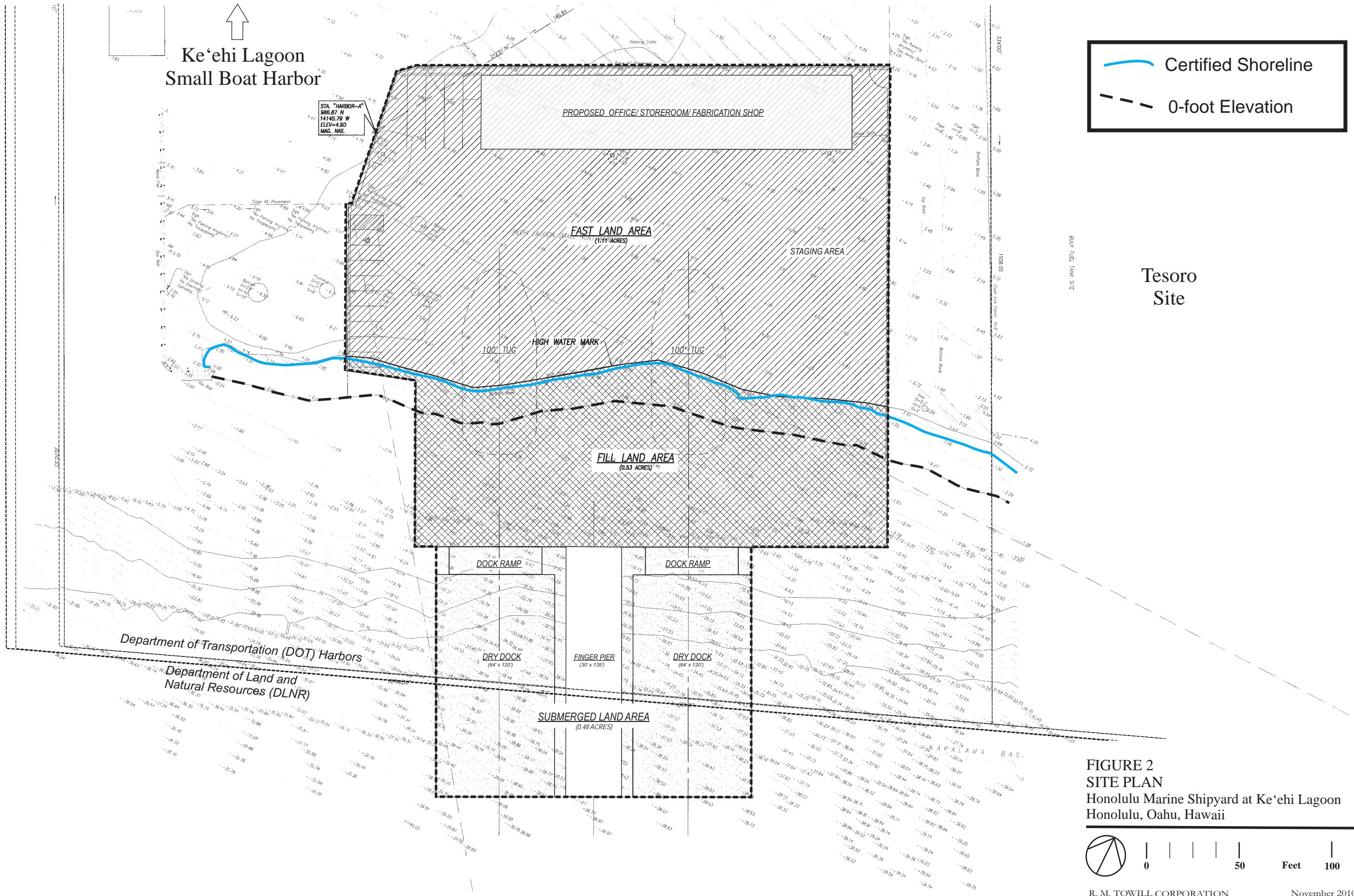


FIGURE 2
SITE PLAN
Honolulu Marine Shipyard at Ke'ehi Lagoon
Honolulu, Oahu, Hawaii



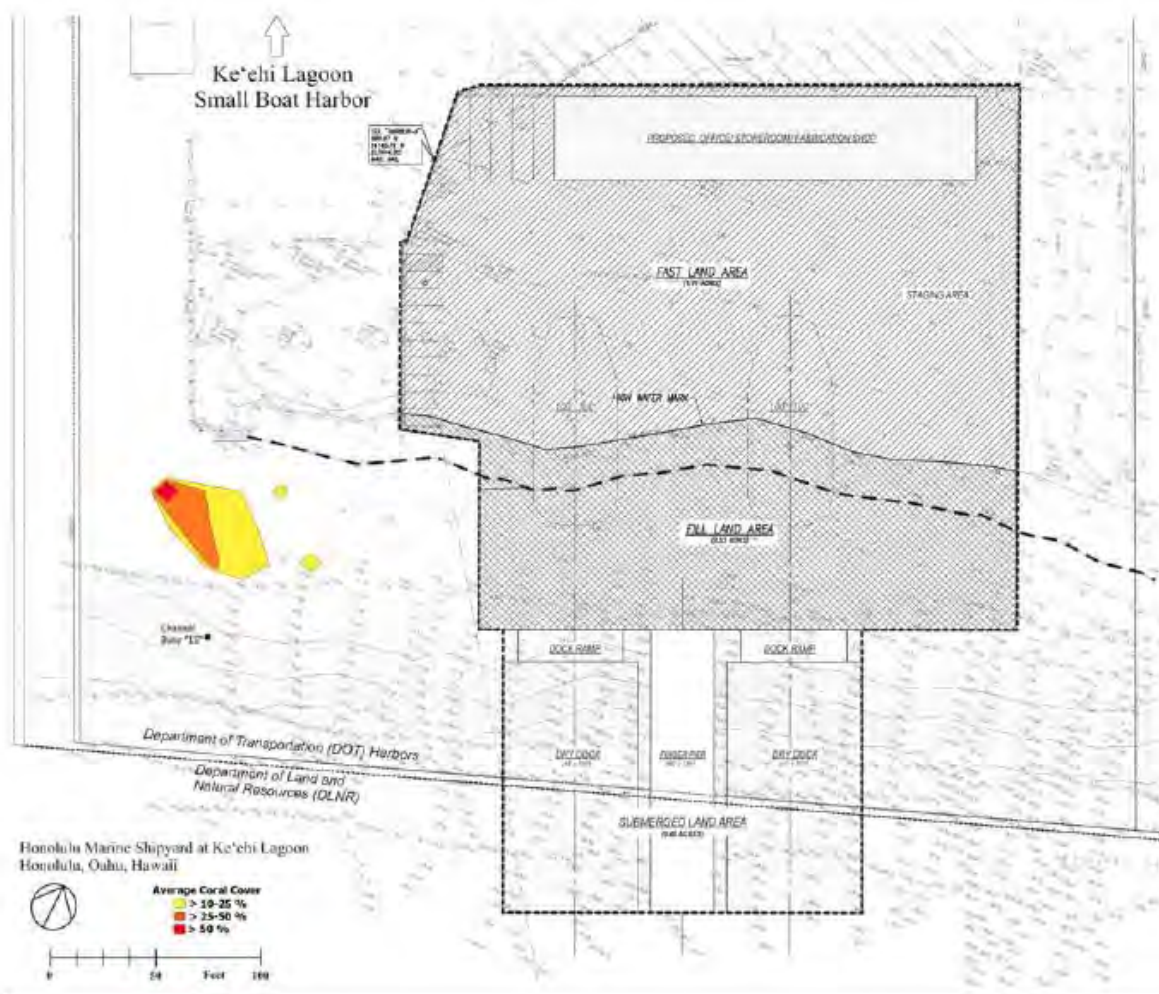
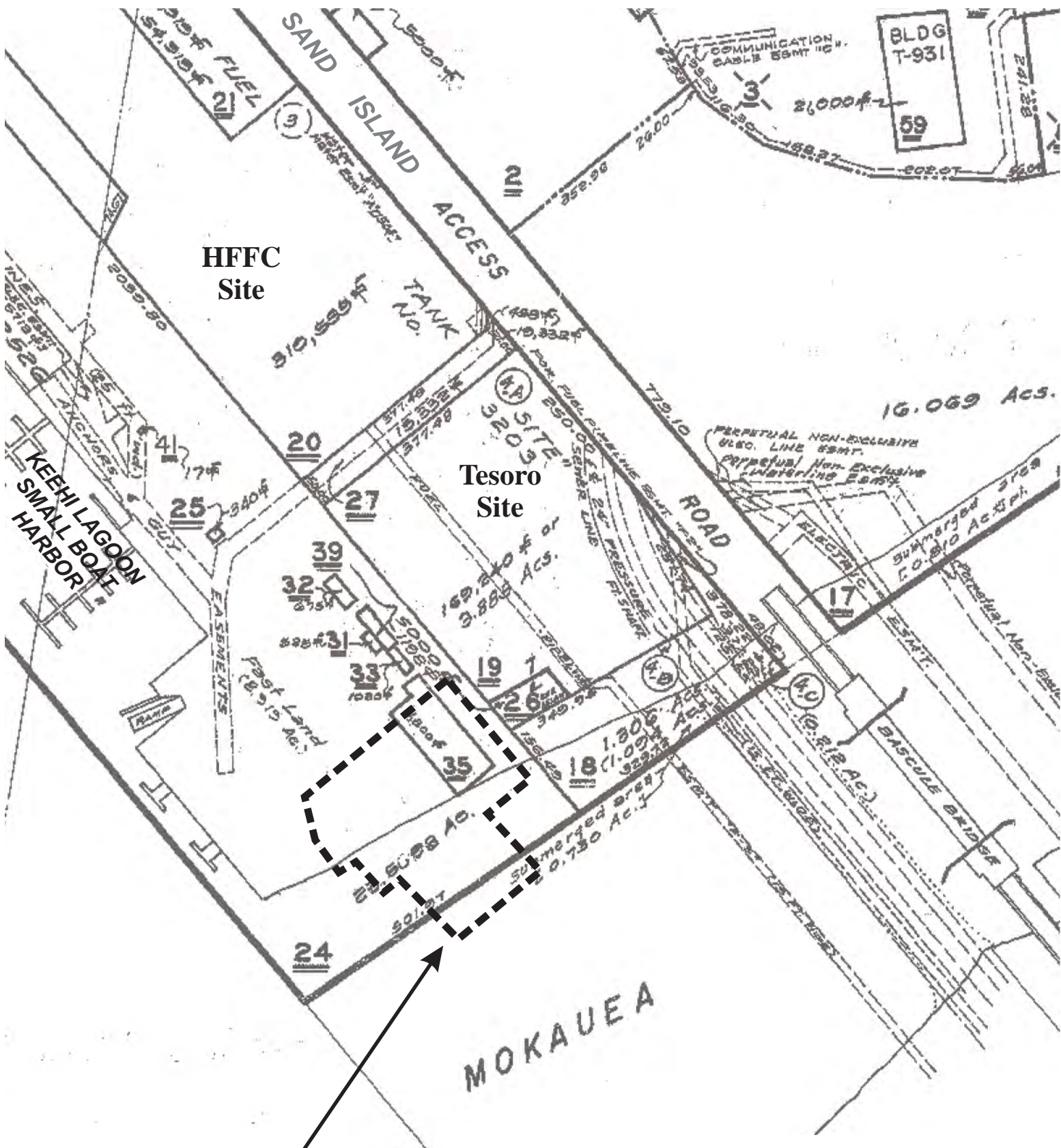


Figure 3. Areas of coral coverage >10% in the project vicinity based on transect surveys conducted in July 2009.

Page 6 extracted from (AECOS Report No. 1139C), dated October 2, 2009 and titled *Coral impacts and an assessment of impacts for a proposed shipyard site in Ke'ehi Lagoon, Honolulu, Oahu, Hawaii*



Project Area

FIGURE 3
TMK MAP
 Honolulu Marine Shipyard at Ke'ehi Lagoon
 Honolulu, O'ahu, Hawai'i



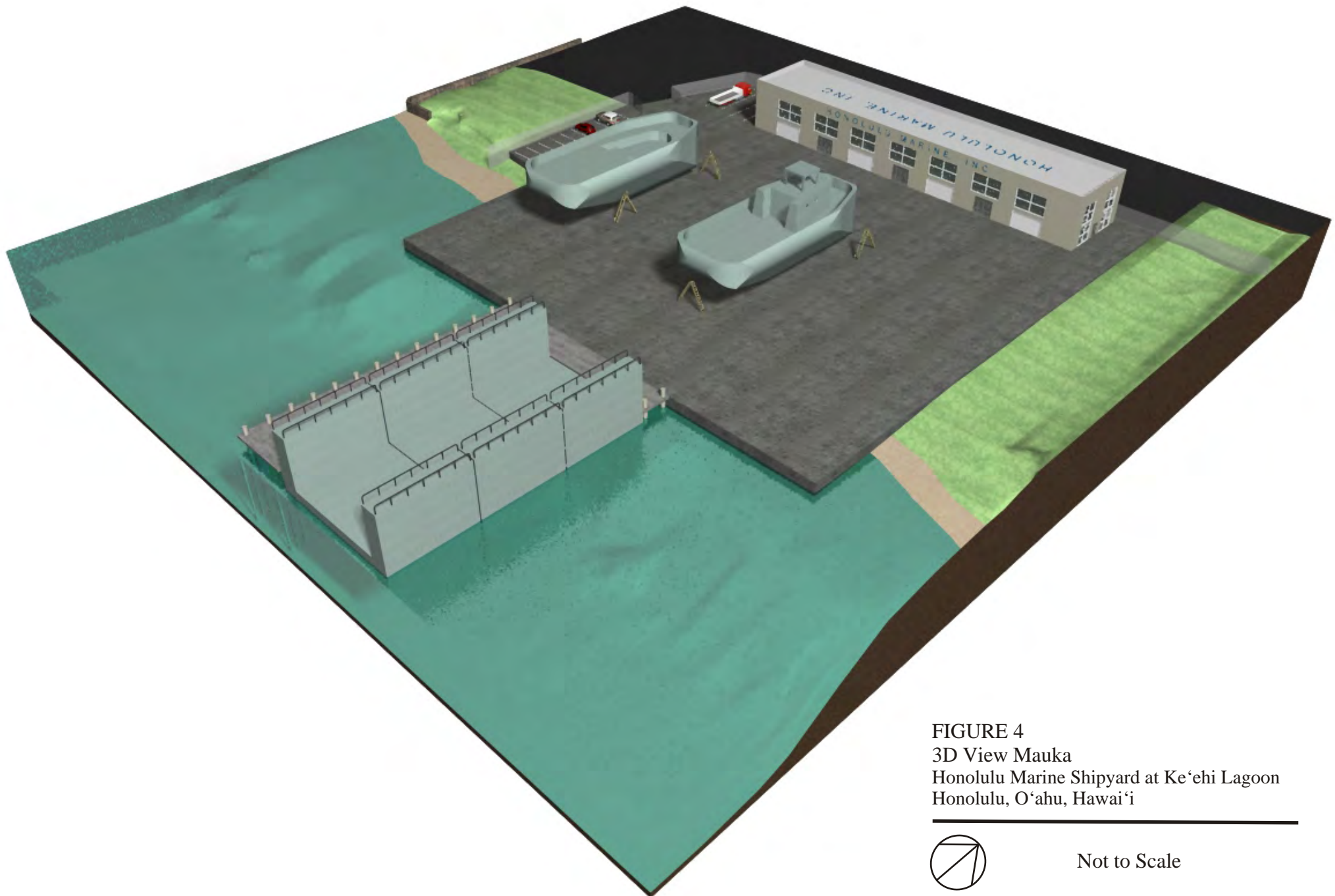


FIGURE 4
3D View Mauka
Honolulu Marine Shipyard at Ke'ehi Lagoon
Honolulu, O'ahu, Hawai'i



Not to Scale

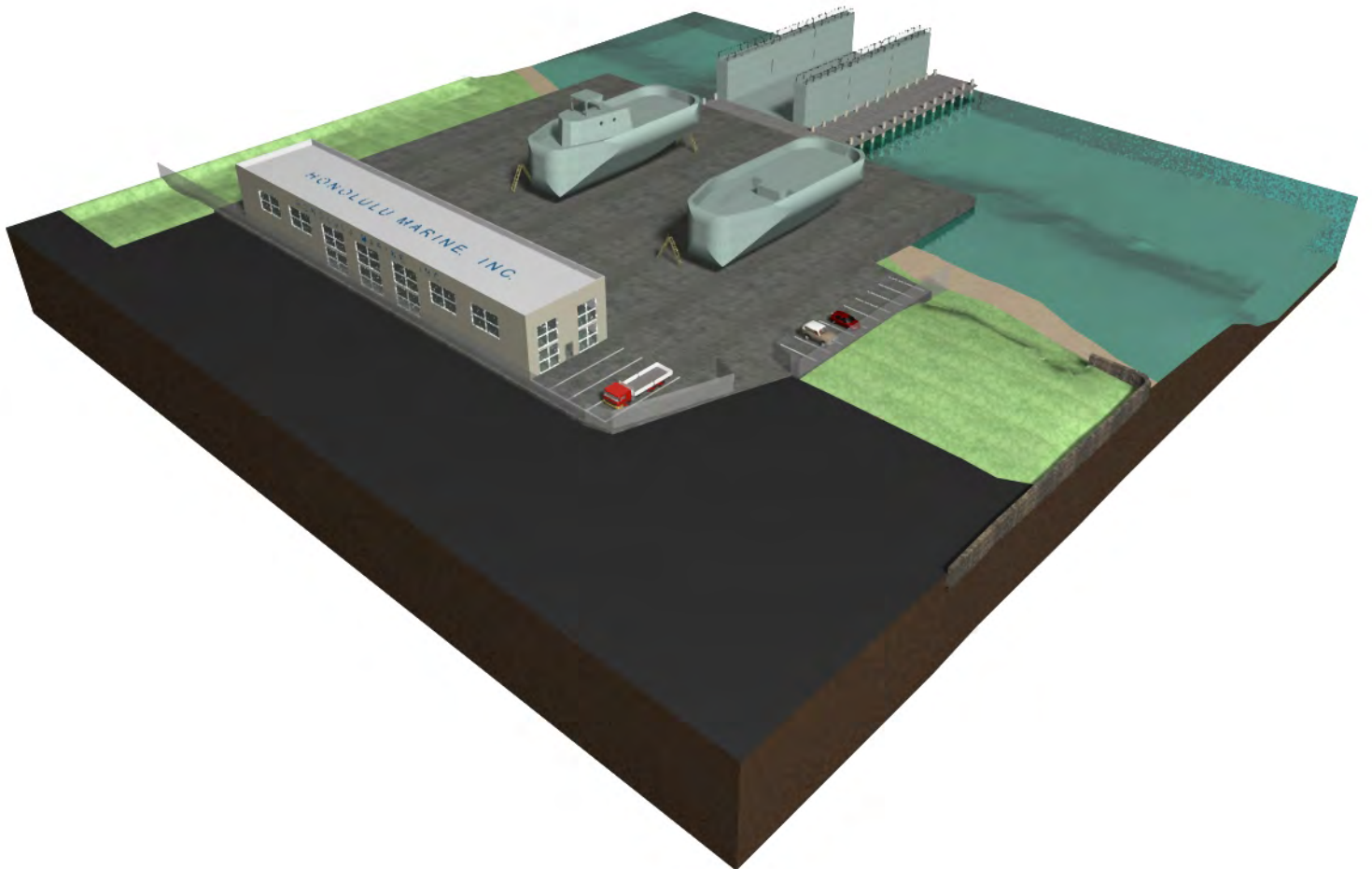


FIGURE 5
3D View Makai
Honolulu Marine Shipyard at Ke'ehi Lagoon
Honolulu, O'ahu, Hawai'i



Not to Scale



View from Bridge Facing West

Photo taken in 2007

FIGURE 6
EXISTING CONDITION
Honolulu Marine Shipyard at Ke'ehi Lagoon
Honolulu, O'ahu, Hawai'i



View from Bridge Facing West

FIGURE 7
PROPOSED CONDITION
Honolulu Marine Shipyard at Ke'ehi Lagoon
Honolulu, O'ahu, Hawai'i

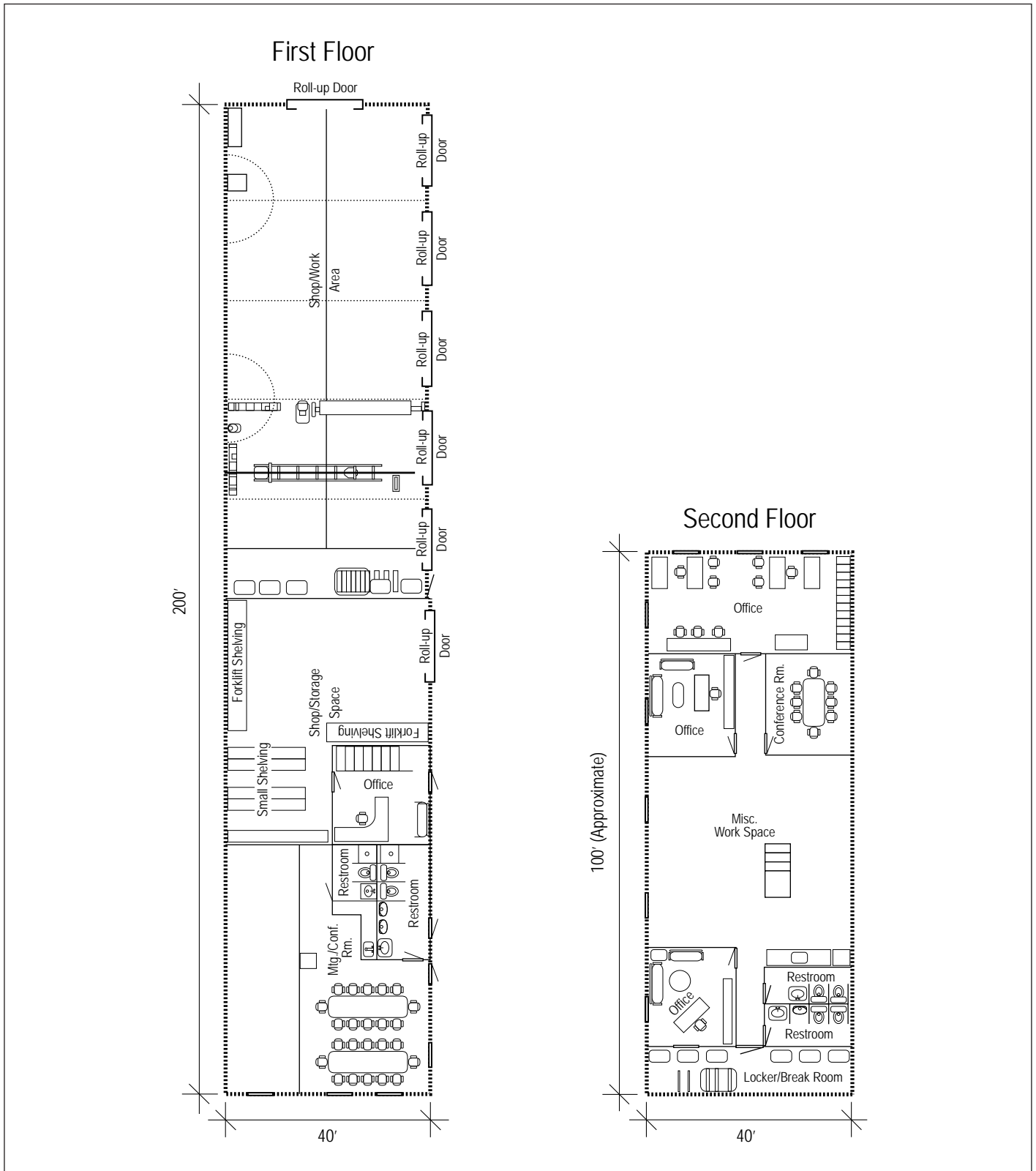


FIGURE 8
FLOOR AREA PLAN (PROPOSED)
 Honolulu Marine Shipyard at Ke‘ehi Lagoon
 Honolulu, O‘ahu, Hawai‘i



Not To Scale

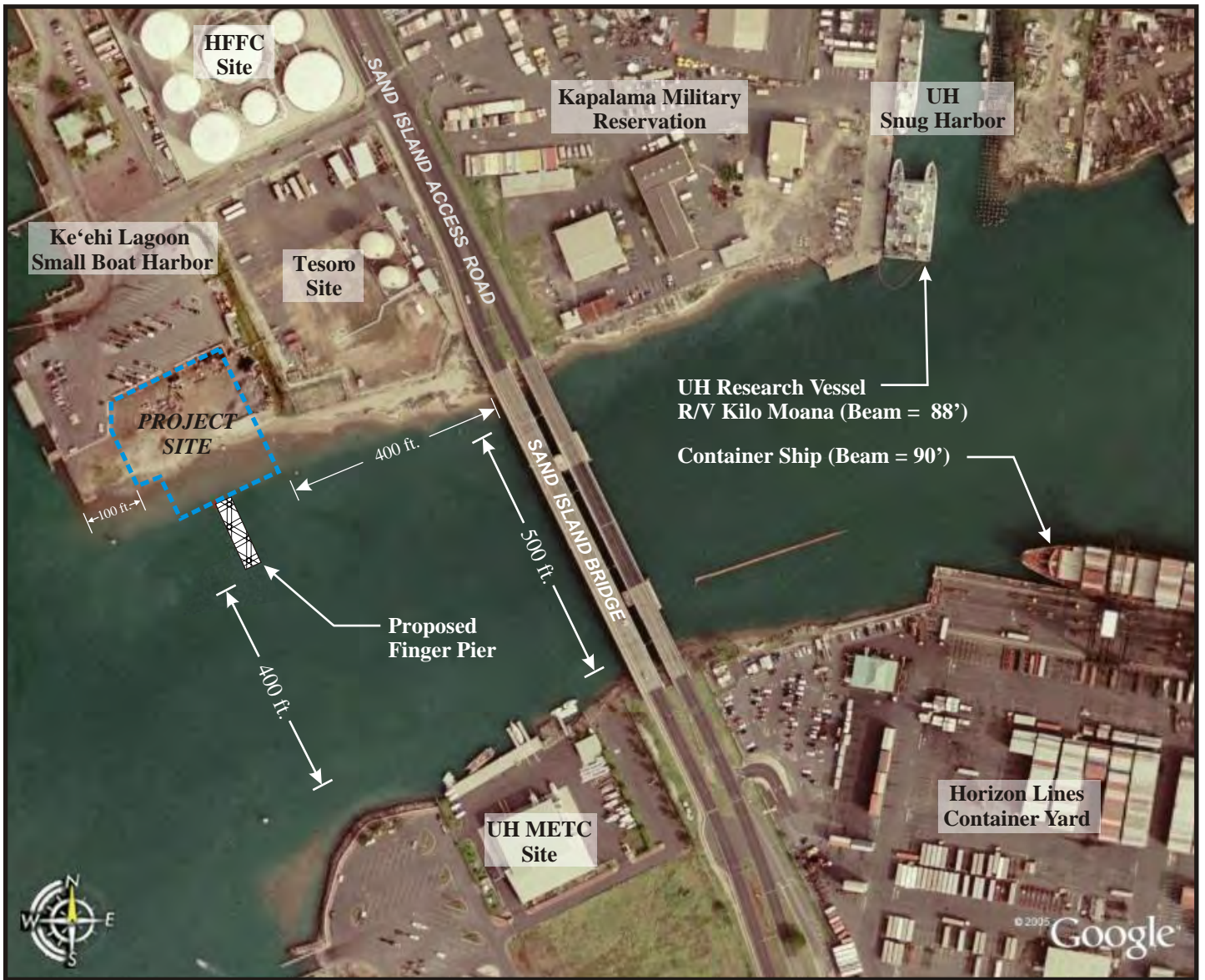


FIGURE 9
 KALIHI CHANNEL ACCESS
 Honolulu Marine Shipyard at Ke'ehi Lagoon
 Honolulu, Oahu, Hawaii



R. M. TOWILL CORPORATION

November 2010

