



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE

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MAY 4 2007

F/SER31:LC

Mr. Sindulfo Castillo
Chief, Antilles Regulatory Section
Department of the Army, Corps of Engineers
400 Fernandez Juncos Avenue
San Juan, PR 00901-3299

Dear Mr. Castillo:

The National Marine Fisheries Service (NMFS) recently received a copy of the application materials for the Certification of Consistency with the Coastal Zone Management Program (CZMP), reference number CZT-12-06(L), dated April 4, 2007, from the U.S. Virgin Islands Department of Planning and Natural Resources. Mr. Christian Kjaer proposes the construction of the Great St. James Subdivision. The project is located in Parcel Nos. A-1, A-2, A-Remainder, B-1-1, B-1-2, B-1 Remainder, C-1-1, C-1-2, C-1 Remainder, C-2-1, C-2-2, and C-2 Remainder, Estate Great St. James Island, St. Thomas, U.S. Virgin Islands.

Based on our review of the information in the CZMP permit application and the participation of a NMFS' biologist on December 12, 2005, in a site inspection to look at the existing dock in Shallow Bay, Great St. James, and proposed barge landing in Christmas Cove to facilitate subdivision construction, the area contains dense seagrass beds, colonized hardbottom, and rock reef densely colonized by coral. Threatened elkhorn and staghorn corals are present in several areas around the island of Great St. James. The seagrass beds in the project area serve as foraging habitat for threatened green sea turtles. The reefs and colonized hardbottoms serve as foraging and refuge habitat for endangered hawksbill sea turtles. There are also sea turtle nesting beaches on the island, including within the boundaries of several of the subdivision lots. The information contained in the Environmental Assessment (EA) indicates that the applicant is only seeking a CZMP certificate for the barge landing in Christmas Cove, which will be a temporary landing to be used for one year during road construction. However, several of the project drawings that accompanied the EA indicate a permanent structure with boats around it in Christmas Cove in the same area as the barge landing. The EA also indicates that an intake and outfall will be constructed for a reverse osmosis plant to provide drinking water, cable landings will be constructed to provide electricity and communications, and road crossings will be constructed in guts, including those that provide freshwater to the six salt ponds around the island. The EA further indicates that the existing dock in Shallow Bay will be the main access point for the subdivision.

During the site inspection, NMFS observed that, due to the shallow nature of the bay where the existing dock is located, propeller scarring and blowouts caused by propeller wash were evident in the extensive seagrass beds that dominate the benthic habitat in the area. Use of this dock as the main access to Great St. James will necessitate dredging of



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Shallow Bay. For this reason, the original project reviewed during the site inspection contemplated eliminating the dock in Shallow Bay or restricting mooring to the dock and the construction of a marina in Christmas Cove where depths are greater. In addition, it is not clear to NMFS why the barge landing will be a temporary structure constructed for use during road construction only. In addition, because the applicant is only requesting a permit for the barge landing construction, no details are provided regarding the potential impacts of the construction of an intake and outfall, cable landings, and a marina on marine resources. Finally, the EA does not mention that the project is associated with CZMP permit application number CZT-3-06W for the renewal of a permit for the use of a dock in Vessup Bay to provide boat service to and from Great St. James. This dock was also inspected during the site visit. Dense red mangrove stands were observed on either side of the dock but the project drawings in the new permit application do not indicate the presence of mangroves, possibly due to the expansion of the parking facilities necessary to service the Great St. James access ferry.

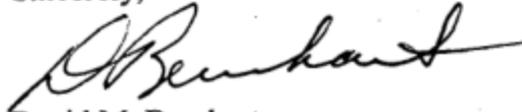
NMFS is concerned regarding the potential project impacts to the dense seagrass beds in Shallow Bay that provide foraging habitat for green sea turtles, the extensive colonized hardbottoms and reefs that provide foraging and refuge habitat for hawksbill sea turtles, sea turtle nesting beaches, and colonies of elkhorn and staghorn coral. Specifically, the project will result in impacts to water quality due to the transport of sediments during barge landing, road and home construction and discharge of brine from the desalination plant that includes biocides and other chemicals used in the water treatment process. The project will also result in impacts to seagrass beds due to the continued use of the dock in Shallow Bay. The project will also result in impacts to seagrass beds and corals as a result of the installation of submarine cables and cable landings, intake and outfall pipes for the desalination plant, the barge landings, and the marina. Indirect impacts to seagrass beds and corals will result from boat groundings due to the projected increase in boaters who are unfamiliar with the area, propeller scarring, propeller wash, fuel and oil spills, and spills of untreated sewage from boats.

NMFS requests information regarding the status of the project in your office since it will require authorization from the U.S. Army Corps of Engineers (COE) for construction of the barge landing, intake and outfall pipes for the desalination plant, submarine cable landings, road crossings of guts, and any other in-water structures such as the marina. Due to potential adverse effects to threatened and endangered sea turtle habitat and threatened coral species, pursuant to the Endangered Species Act (ESA) Section 7 regulations (50 CFR 402.12), the COE is required to prepare a project biological evaluation and request concurrence from NMFS with the assessment's findings, initiating ESA Section 7 consultation (50 CFR 402.14)

The dock in Vessup Bay is an integral part of the subdivision project because it will be the access point for homeowners to reach Great St. James; therefore, the consultation should include the Vessup Bay dock and all alterations to the dock and associated facilities that could result in adverse impacts to listed species. The project will also require ESA Section 7 consultation with the U.S. Fish and Wildlife Service due to the potential impacts to sea turtle nesting beaches and listed plant species resulting from the construction of the subdivision. Finally, given the location of the project and the importance of the area as fisheries habitat, an essential fish habitat (EFH) consultation pursuant to the requirements of the Magnuson-Stevens Fishery Conservation and Management Act will likely be required. For more information regarding EFH consultation, please contact Mr. David Dale at (727) 824-5317.

We look forward to coordinating with you on this project in order to ensure the protection of threatened and endangered species under our purview. If you have any questions, please contact Dr. Lisamarie Carrubba at [REDACTED], or by e-mail at [REDACTED].

Sincerely,



David M. Bernhart
Assistant Regional Administrator
for Protected Resources

cc: COE – PR, Cedeño
DPNR – USVI, Ramos

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