

UNITED STATES DEPARTMENT OF COMMERCE National Oceanic and Atmospheric Administration NATIONAL MARINE FISHERIES SERVICE Southeast Regional Office 263 13th Avenue South St. Petersburg, Florida 33701-5505 http://sero.nmfs.noaa.gov

January 22, 2015

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(Sent via Electronic Mail)

Colonel Kevin P. Landers, Sr., Commander U.S. Army Corps of Engineers Wilmington District 69 Darlington Avenue Wilmington, North Carolina 28403-1398

Attention: Tyler Crumbley

Dear Colonel Landers:

NOAA's National Marine Fisheries Service (NMFS) reviewed Action ID No. SAW-2014-02180 dated December 23, 2014. The Town of Oak Island proposes to dredge the Eastern Channel of the Lockwood Folly River with a beach nourishment project for a portion of the west end of Oak Island, Brunswick County. The Wilmington District's initial determination is the proposed project may adversely impact essential fish habitat (EFH) or associated fisheries managed by the South Atlantic Fishery Management Council (SAFMC), Mid-Atlantic Fishery Management Council (MAFMC), or NMFS. This determination is based upon the scale of impacts (6.3 acres of intertidal non-vegetated flats, 16.3 acres of shallow subtidal soft bottom, and 9 acres of intertidal beach habitat) and inclusions of dredging and beach fill components. No submerged aquatic vegetation (SAV) is present, and the project area is not designated as a Primary Nursery Area (PNA). As the nation's federal trustee for the conservation and management of marine, estuarine, and diadromous fishery resources, the following comments and recommendations are provided pursuant to the authorities of the Fish and Wildlife Coordination Act and the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act).

Description of the Proposed Project

The applicant is proposing to dredge approximately 229,000 cubic yards of material from Eastern Channel and to dispose approximately 201,800 cubic yards beach quality material along two stretches of the beach at the western end of Oak Island. The remaining 27,200 cubic yards of material not suitable for beach disposal would be placed of in the Sheep Island disposal area. The channel for most of its length would be dredged from the Atlantic Intracoastal Waterway at depths ranging from -12 to -15 feet NAVD88 and widths from 75 to 100 feet. A small portion is 40 feet wide and at -9 feet NAVD88. The applicant states the purpose and need for the project is driven by: (1) commercial and recreational navigation requirements, (2) estuarine and riverine water quality degradation, and (3) coastal oceanfront erosion.

Throughout the CAMA Major Application document, the applicant raises the issue of water quality.

- Page 4. "Water quality has long been a concern of the Town. Nutrient and fecal levels have spiked in Davis Creek, a tributary of Eastern Channel."
- Page 6. "Improvements to navigation in Eastern Channel will result in additional tidal flushing, which will improve water quality conditions."
- Page 7. "Restore.....and improve water quality conditions."
- Page 34. "However, improved tidal circulation and flushing is anticipated to have long-term net beneficial effects on water quality."



Essential Fish Habitat in the Area and Potential Impacts

A draft EFH assessment was prepared by the applicant and provided to the resources agencies on December 5, 2014. While the descriptions of EFH in the draft assessment are generally adequate for this review, two errors should be noted. First, the EFH assessment does not note federal management of Atlantic red drum was moved from the Magnuson-Stevens Act to the Atlantic Coastal Act on November 5, 2008. With this transfer, there no longer is a Magnuson-Stevens Act EFH designation for red drum. Second, and more significantly, the EFH assessment does not identify Lockwoods Folly Inlet, including its associated ebb and flood tidal shoals, as a Habitat Area of Particular Concern (HAPC).

According to the assessment, the proposed project is not anticipated to have any direct effects on shell bottom, SAV, tidal marsh, or state-designated nursery areas since these habitats were avoided in the project design and do not occur within the proposed dredging area. Dredging would directly impact approximately 6 acres of intertidal non-vegetated flats and approximately 16 acres of shallow subtidal soft bottom habitat in the Eastern Channel. Temporary loss of intertidal and subtidal soft bottom habitat and associated benthic communities are expected to have minor short-term adverse effects on federally-managed species, such as peneaid shrimp. Sediment suspension and associated increases in turbidity during the dredging process are anticipated to have short-term, localized adverse effects on water quality and estuarine habitats and communities.

Recommendation

One stated purpose and need for the proposed project is improved water quality in Davis Creek/Montgomery Slough but there is no proposed monitoring to determine whether or not water quality does improve. NMFS requests the applicant submit a water quality monitoring plan if water quality improvement remains listed as a project purpose in the permit.

Thank you for the opportunity to provide these comments. Related questions or comments should be directed to the attention of Mr. Fritz Rohde at our Beaufort Field Office, 101 Pivers Island Road, Beaufort, North Carolina 28516-9722, or at (252) 838-0828.

Sincerely,

Page Willer

/ for

Virginia M. Fay Assistant Regional Administrator Habitat Conservation Division

cc:

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