DEPARTMENT OF THE ARMY
JACKSONVILLE DISTRICT CORPS OF ENGINEERS
ANTILLES OFFICE
FUND. ANGEL RAMOS ANNEX BLDG., SUITE 202
383 F.D. ROOSEVELT AVE.
SAN JUAN, PUERTO RICO 00918

REPLY TO ATTENTION OF

October 26, 2017

Regulatory Division
South Permits Branch
Antilles Section
SAJ-2004-12518 (SP-JCM)

Amy Dempsey
Bioimpact, Inc.
P.O. Box 132
Kingshill, St. Croix
U.S. Virgin Islands 00851

Dear Ms. Dempsey:

Reference is made to your Department of the Army (DA) permit application, submitted on June 10, 2015, on behalf of The Summer's End Group, LLC for the proposed development of the St. John Marina Yacht Club. The project would be located at Coral Bay, Estate Carolina, Coral Harbor, St. John, U.S. Virgin Islands. Please refer to number SAJ-2004-12518 (SP-JCM) in future correspondence regarding this case.

On August 24, 2017, we received your response to our information request letter dated October 22, 2015, regarding the referenced permit application. We hereby provide our comments regarding our review of the information included in your response. We apologize for the delay in providing our review and comments. The emergency created by hurricanes Irma and María prevented a more timely response. We appreciate your understanding.

Please be advised that your response did not fully address all of the items included in our information request. Below we describe in more detail the additional information that you must provide for us to be able to continue the evaluation and processing of the permit application.

1. Alternatives analysis: The alternatives analysis submitted in your response was presented through an extensive narrative comparing the different locations and layouts considered. However, from the narrative discussion it is difficult to understand the weight given to the different factors or criteria used to rate and compare the alternatives. Therefore, we recommend that you prepare and submit a table summarizing your alternatives analysis. This table should indicate and explain the rating or value given to each comparison factor/criterion used to select the preferred alternative. In other words as part of your alternatives analysis we request that you: (1) define a set of criteria for

comparing the alternative sites and layouts considered; (2) define a system to rate the alternatives against each of the criteria; and (3) describe a method to comparatively weigh each rating as to its importance.

2. Exposure to prevailing and storm winds and waves: The wind and wave analysis submitted in your response did not evaluate prevailing and storm winds and waves at Coral Bay, as requested by the Corps. The analysis did not provide and was not based on local data collected at Coral Bay. The analysis submitted only determined extreme wind and water levels at the project site, mainly based on data from a buoy located approximately 53 miles to the southeast of St. John. Finally, the analysis did not make any recommendations or provided any conclusions regarding safety or suitability of the bay for the proposed project and design under normal sea conditions. Therefore, please provide the information requested in our October 22, 2015 letter, regarding this topic.

3. Virgin Islands National Park (VINP) and Virgin Islands Coral Reef National Monument (VICRNM): Your response analyzed potential effects of the proposed project on the VINP and VICRNM, and proposed several measures and actions to mitigate those effects, many of which would require collaboration and coordination with the National Park Service (NPS). However, your response did not include any evidence of your coordination with the NPS in that regard, or their interest/willingness in collaborating with those measures. In order to consider those mitigation measures in the evaluation of your proposal, the Corps would need appropriate documentation of the NPS interest and commitment to work with you in the implementation of the proposed mitigation measures.

4. Infrastructure: As requested in our October 22, 2015 letter, please provide evidence of your coordination with the Virgin Islands Department of Public Works and their evaluation of the potential effects of the construction and operation of the proposed project on the traffic conditions and roadway infrastructure of Coral Bay. Similarly, please provide evidence of your coordination with the Virgin Islands Power and Water Authority (VIWAPA) to evaluate the potential effects of the project on the electric power infrastructure of Coral Bay. Please note that the VIWAPA Load Requirement Sheet submitted with your response does not appear to have been evaluated, signed or approved by VIWAPA.

5. Impacts to seagrass and benthic habitats: We have received information indicating that seagrass and other benthic habitats in the U.S. Virgin Islands, including Coral Bay, received considerable impacts due to sediment deposition from storm surges and runoff, as well as scouring from vessels and anchors associated to the effects of hurricanes Irma and María. Therefore, we request that you conduct and submit a new benthic assessment to ensure that recent changes in the benthic composition of the project area are captured and that the potential for its natural recovery is considered in

assessing and addressing the potential impacts of the proposed marina, and in developing adequate compensatory measures for project impacts to benthic habitats.

6. Existing mooring buoys and moored boats: Your response stated the applicant would cover the cost of removing and relocating legal moorings currently within the footprint of the proposed marina, and that the U.S. Virgin Islands Department of Planning and Natural Resources (USVI-DPNR) would assist in the removal of unauthorized anchored vessels and in identifying and permitting new locations for legal vessels. Please provide evidence of your coordination with the USVI-DPNR in this regard, including appropriate documentation of the USVI-DPNR agreement to relocate the existing moorings and vessels. As stated in our October 22, 2017 letter, in order to fully assess the potential effects of your proposed project, the Corps would need to evaluate the proposed plan and process for relocating the existing moorings and boats, including details about the coordination that would be required with boat owners and the USVI-DPNR, description of the relocation site for the moorings with benthic habitat characterization, and evaluation of the potential impacts of establishing this new mooring area.

7. Water circulation: Your previous submittals included limited data on marine current measures within Coral Bay. However, even though you have acknowledged existing poor water quality, slow circulation and sluggish water movement in Coral Bay, no specific data analysis or modeling have been presented to properly evaluate whether the proposed marina could result in further deterioration of water circulation and quality, particularly within the innermost portions of the bay. As stated in our October 22, 2017 letter, changes in water circulation patterns could lead to deterioration of the water quality and marine habitats within the Coral Bay. Therefore, we again request that you please complete and submit for our review a water circulation modeling study, assessing the potential effects of the project on the mixing and flushing capacity, as well as the water quality of the bay.

8. Ambient and underwater noise: Your response indicated that, based on upland investigation and a review of the geology of the area, project engineers have determined that they will be able to use of a vibratory hammer to drive the 960 piles required for the construction of the proposed marina; and that an impact hammer would probably be required to set the piles. However, no geotechnical data or similar studies were submitted to support the practicability of the proposed methodology and the corresponding acoustic impacts mitigation measures. As stated in our October 22, 2017 letter, without such data or studies the Corps cannot determine with confidence whether in fact a vibratory hammer would be practicable for this location, and its actual effects on minimizing noise related impacts. Therefore, we again request that you conduct and submit the pertinent geotechnical studies to adequately support the feasibility of your proposed construction methodology. In addition, we recommend that you incorporate further acoustic impact minimization measures, such as using wood blocks to further abate noise generated by impact hammer pile driving activities; as well

as using impact hammer only between July 7 - December 11, to avoid noise impacts to small (<2g) Nassau grouper. According to the National Marine Fisheries Service (NMFS), Nassau grouper less than 2 g should not be present in Caribbean nearshore habitats between July 7 - December 7. Please indicate whether it would be practicable to incorporate those measures as part of the construction of your proposed marina.

9. Cumulative impacts: Your response did not sufficiently address our October 22, 2017, requests regarding cumulative impacts. We recommend that you follow the enclosed template, to structure the information and analysis required to adequately complete the cumulative impacts analysis for your proposed marina and satisfy the corresponding requirements under the National Environmental Policy Act (NEPA).

10. Archaeology and historic resources: Your response indicated that a previously undetected shipwreck was recently identified within the project area and that measures to protect the resource have been implemented in coordination with the Virgin Islands State Historic Preservation Office (VISHPO). Please provide evidence of your coordination with VISHPO in this regard, including any communications or letters issued by VISHPO with regards to the evaluation of the potential effects of the proposed marina to archeologic or historic resources.

11. U.S. Coast Guard (USCG): Your response to the comments provided by the USCG indicated that the applicant will work with the USCG to identify the need and location of additional Private Aids to Navigation (PATON) for the Coral Bay area as a result of the proposed marina. However, your response did not include any evidence or documentation of your coordination with the USCG in this regard. Please be advised that any PATON needed or required in relation to the proposed marina requires a permit and would be considered part of the same single and complete project, and should be included in your permit application. Therefore, we request that you complete your coordination with the USCG and provide information regarding the need, number, location, benthic habitats, and anchoring system for any such PATON, as well as evidence of your corresponding coordination with the USCG. In addition, as requested by the USCG, please clarify the fuel capacity of the mega yachts that are expected to use the proposed marina and explain why you do not anticipate transferring 250 barrels of fuel to any single vessel. If indeed more than 250 barrels of fuel would be transferred to a single vessel, you would need to engage in additional coordination with the USCG; and evidence of such coordination must be provided to the Corps.

12. Compensatory Mitigation Plan: The Compensatory Mitigation Plan submitted with your response does not describe the mitigation measures that you propose to implement in collaboration with the NPS, which are mentioned in other parts of your response. Also the Compensatory Mitigation Plan does not describe in detail the proposed removal and disposal of derelict vessels, which is mentioned in the Introduction section of the plan. In addition, the plan does not describe the proposed long term maintenance of storm water management structures within Coral Bay

watershed, which is described in other sections of your response. Furthermore, there are inconsistencies between the Compensatory Mitigation Plan and other sections of your response with regards to the number of informational buoys (aids to navigation) that would be installed to alert boaters of the location of the seagrass transplant sites, as well as shallow seagrasses and reefs in the vicinity of Coral Harbor. In this regard, we request that you please confirm the number, type, location and benthic conditions for those proposed buoys. Please submit a revised Compensatory Mitigation Plan addressing the above. The revised document should also address and incorporate the results of the updated benthic assessment that we requested above.

Your application will be held in abeyance for 20 days pending receipt of your response. If within the next 20 days from the date of this letter we have not received a written communication from you, we will take final action on your Department of the Army permit application. Final action could include deactivation or denial of your permit application. Should the file be withdrawn, it will be retained for a period of one year.

You are cautioned that work performed below the mean high waterline or ordinary high waterline in waters of the United States, or the discharge of dredged or fill material into adjacent wetlands, without a DA permit would constitute a violation of Federal laws and subject you to possible enforcement action. Receipt of a permit from other agency does not obviate the requirement for obtaining a DA permit for the work described above prior to commencing work.

Thank you for your cooperation with our Regulatory Program. If you have any questions or concerns regarding this matter, please contact José A. Cedeño-Maldonado, Project Manager, at the letterhead address, by e-mail at jose.cedeno-maldonado@usace.army.mil, or by telephone at 787-729-6944.

Sincerely,

CASTILLO.SINDULFO.1182884851
Digitally signed by CASTILLO.SINDULFO.1182884851
DN: c=US, o=U.S. Government, ou=DoD, ou=PKI, ou=USA, cn=CASTILLO.SINDULFO.1182884851
Date: 2017.10.26 14:22:56 -04'00'

Sindulfo Castillo
Chief, Antilles Section

Enclosures

Copy Furnished: Chaliese Summers, The Summer's End Group, LLC, 5000 Estate Enighed, Suite 63, St. John, US Virgin Islands 00830

Enclosure 1

A. Cumulative and Secondary Impacts – *(40 CFR 230.11(g) and 40 CFR 1508.7, RGL 84-9) Cumulative impacts result from the incremental environmental impact of an action when added to all other past, present, and reasonably foreseeable future actions. They can result from individually minor but collectively significant actions taking place over a period of time. A cumulative effects assessment should consider both direct and indirect, or secondary, impacts. Indirect impacts result from actions that occur later in time or are farther removed in distance from the original action, but still reasonably foreseeable.*

1. Geographic scope: Indicate the name of the watershed or other appropriate geographic area, and rationale for selection

2. Temporal scope: Enter timeframe or choose from the list

Explain the selected timeframe: provided explanation for selected timeframe

3. Historical conditions of the area subject to this analysis: describe the historic condtions of the assessment area at the beginning of the time frame selected

4. Major changes to the area and description of current condition: describe the environmental history of the area and define the environmental baseline against which to analyze the proposed and reasonably foreseeable future impacts

5. Anticipated cumulative and secondary/indirect impacts (environmental consequences) of the proposed action: provide discussion here

6. Reasonably foreseeable future actions: provide discussion here

7. Effect of the proposed mitigation, including avoidance and minimization, on reducing the project's contribution to cumulative effects in the region: provide discussion here

8. Conclusions: provide discussion here