

**Maritime Administration Evaluation to  
Assess NEPA Compliance for  
US Dept. of Transportation Funding for the  
Port of Newport's  
International Terminal Shipping Facility**

**Prepared for**

Port of Newport  
International Terminal Shipping Facility  
Newport, Oregon

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## **Environmental Compliance Checklist**

### **Background**

The National Environmental Policy Act (NEPA), as amended (Public Law 91-190), protects public health, safety, and environmental quality by ensuring transparency, accountability, and public involvement in federal actions in the use of public funds. NEPA generally requires federal agencies to consider, document, and disclose the reasonably foreseeable environmental impacts of any proposed action and associated alternatives. Grants of federal funds typically implicate NEPA duties. To comply with NEPA, the Maritime Administration is required to complete environmental analyses prior to recommending the awarding of grants.

The Maritime Administration has adopted formal NEPA implementing procedures. Among other things, these procedures will be used to determine whether a proposed action is categorically excluded or whether further environmental documentation will be necessary. Applicants are required to complete the following checklist as part of the Maritime Administration's NEPA analysis.

### **Environmental Compliance Checklist for Programs**

The purpose of this checklist is to assist the Maritime Administration in determining what applicable environmental documentation is necessary under the Maritime Administration's Procedures for Considering Environmental Impacts (MAO 600-1) for proposed grant applications.

Many questions require a "yes" or "no" response. Please provide detailed description for responses and attach all necessary supporting documentation. Applicants should use the space provided to answer the questions. If the applicant needs additional space, additional pages may be attached to the questionnaire, indicating which question is being continued.

By answering the questions in this checklist, the Maritime Administration can determine whether the award of the grant is categorically excluded from NEPA analysis, or whether further environmental documentation is required. This information is deemed necessary by the Maritime Administration in order to facilitate and complete its review of the application.

**Provide a brief description of the proposed activity, including the grant/award recipient, geographical location, and scope of the project.**

**Grant Recipient:** Port of Newport

**Geographical Location:** Tax lot 101 an 8.95-acre parcel on McLean Point, Yaquina Bay, Newport

**Proposed Activity/Scope:** The proposed activity is the improvement of an 8.95-acre parcel within the northern portion of McLean Point in Newport. The parcel is located to the east of the Port of Newport's International Terminal. The property is currently undeveloped. This facility would provide a viable location for several businesses to prepare loads for either international exporting and domestic coastwise shipping. The scope of the project includes grading and development of a laydown area (Phase 1) with asphalt, fencing, small work shack, stormwater collection system, transportation improvements off SE Bay Blvd. (a minor arterial), and extension of water and sewer lines. The site is currently zoned for industrial use but has limited utility infrastructure. The construction of the project will be a catalyst in the development of the remaining 40 acres of McLean Point, which will benefit marine industries, adding both economic value to the region. The future development will include construction of additional marine industrial, seafood processing, wave energy Research & Development (R&D), and export-related development.

Development of the parcel will begin by installing all erosion control measures in order to contain any movement of sediment. Following the installation of erosion control measures, the site will be graded flat, which will include filling one low quality, excavated wetland within the center of the property. Constructing the site, will require all heavy construction equipment to access the site via Yaquina Bay Road to the north. Once the site has been graded, gravel will be placed as the subgrade. Water quality facilities will be constructed that will ensure no water quality impacts to Yaquina Bay. The facilities include a sediment pond that will capture the solids prior to flowing downstream.

Several years ago, the US Army Corps of Engineers (Corps) issued a permit to fill this 0.25-acre artificially created wetland, though at that time the fill was never conducted. As the wetland still remains, the Corps will issue an updated permit to facilitate construction of the parcel. The wetland will be mitigated by restoring an estuarine wetland along the shoreline of McLean Point. The wetland restoration area was already approved by the Corps through the approval of a previous permit. Both permits issued by the Corps are attached to this checklist.

**1. Describe the purpose and need of the proposed activity. If the proposal is a continuation of an on-going project, fully explain any changes in the purpose and need in relation to information gathered in previous years.**

The purpose of the project is to provide an approximately 9-acre industrial laydown area which currently does not exist between the newly improved US-20 (\$364M ODOT investment) and the \$27M International Terminal in Lincoln County. This intermodal facility will improve freight flows between the mid-Willamette Valley and the Oregon Coast and reduce congestion on US 101 and I-5. This facility will provide a viable location for several businesses to prepare loads for either international exporting and domestic coastwise shipping. Development of this site would provide the needed infrastructure to allow for an additional 40-acres of additional marine industrial, seafood processing, wave energy R&D, and export-related development. Note, the U.S. Dept. of Energy is now considering Newport as a finalist for the new Pacific Marine Energy Center (PMEC); and Newport is also a finalist for the U.S. Coast Guard Fast Response Cutters Homeport.

The need for the project is to provide agriculture and manufacturing industries a less expensive alternative to trucking products, job creation, and to help retain and expand water-dependent businesses, shipping/distribution, commercial fishing operations, wave energy R&D, and agricultural operations. Near-term creation of 85 jobs are expected during construction (primarily in year 2016). New port-related businesses are expected to provide Phase 1 (2016-2020) local business investment of \$4.5M by 2017. Direct employment within five years is estimated at 48 workers, with induced employment of 137 jobs based on enhanced productivity in the regional economy. The project will also help diversify the regional economy by serving regional agricultural activities and emerging marine science, wave energy R&D, seafood processing and other marine industrial uses.

**2. Has any National Environmental Policy Act (NEPA) or other environmental compliance documentation (e.g., Endangered Species Act Biological Opinion; Letter of Concurrence or Biological Assessment/Evaluation; Clean Water Act permit; State Historic Preservation Officer consultation; state environmental compliance documentation) been completed? If yes, list the environmental compliance documentation that has been completed and provide copies of the documentation as appropriate.**

Yes, on May 22, 2013, the Corps issued a Nationwide Permit No. 39 (Commercial and Institutional Developments) to the Port for the development of the subject tax lot, plus an additional area to the south. That permit, which is attached, authorized the filling of the wetland, plus additional wetland to the south for a total of 0.42 acres of wetland impact. The project was never started and the permit was transferred to Teevin Bros. who were issued another Nationwide No. 39 permit (attached) by the Corps on August 12, 2014, allowing 0.26 acres of wetland impact on property to the south of the subject tax lot.

The Oregon Department of State Lands determined that the wetlands proposed to be impacted were artificially created, and they did not have jurisdiction. As such, no State permit was required.

Both Corps permits also received the approval of the Department of Environmental Quality (DEQ) through Section 401 of the Clean Water Act (CWA), local Tribes, Section 106 of the National Historical Preservation Act (NHPA), and Coastal Zone Management Concurrence from the Oregon Department of Land Conservation and Development. On March 14, 2014, the National Marine Fisheries Service (NMFS) through the Endangered Species Act (ESA) approved the project through their *Revised Standard Local Operating Procedures for Endangered Species (SLOPES) to Administer Maintenance or Improvement of Stormwater, Transportation, and Utility Actions Authorized or Carried Out by the US Army Corps of Engineers in Oregon.*

**3. Is a State Environmental Policy Act (SEPA) compliance document required? If yes, state when this document was completed or will be completed and identify who is preparing the document. Copies will need to be provided, as necessary.**

No. The State of Oregon does not have a SEPA process that pertains to the proposed project. As

stated above, the Oregon Department of State Lands determined that the wetland to be impacted was artificially created and as it is less than one-acre in size it is not under the jurisdiction of their Removal-Fill Law.

**4. Would the proposed activity or environmental impacts of the activity be highly controversial? If yes, describe the potential controversy.**

No. The proposed project area was previously reviewed by the Corps and other agencies and no significant environmental issues were identified. The proposed project will impact an artificially created wetland and will restore a more valuable estuarine wetland along the shoreline of McLean Point. As such, there will be a positive benefit to constructing the project. The project will also provide economic stimulation to the City.

**5. Would the proposed activity have potential environmental impacts that are highly uncertain or involve unique or unknown risks? If yes, describe the impacts that are uncertain or involve unique or unknown risks.**

No. This project area has previously been permitted by the Corps of Engineers and its stormwater management plan has been approved by the Oregon Department of Environmental Quality and the National Marine Fisheries Service through their SLOPES review. The project will be constructed entirely on land and erosion controls will ensure there is no discharge to Yaquina Bay. All impacts are anticipated to be minor and of short term duration. The project will impact an artificially created wetland, but will result in the restoration of a larger higher quality estuarine wetland on the Bay. The mitigation wetland will provide valuable shallow water habitat, including habitat for salmonids.

**6. Is the proposed activity related to other activities that together may cumulatively adversely impact the environment? For example, the proposed activity is one of a series of projects that together may cause a change in the pattern of pollutant discharge, traffic generation, economic change, flood plain change, or land use. If yes, briefly describe the other activities and discuss how the related projects would have cumulative impacts on the environment.**

No. It is anticipated that the completion of this phase will result in the development of other portions of McLean Point, which will cumulatively have minor environmental impacts. Only artificially created wetlands will be impacted (the State of Oregon did not take jurisdiction due to artificial nature of the wetlands) and the mitigation for the loss of the artificial wetlands will result in the restoration of high quality estuarine wetlands along the shoreline of McLean Point. All stormwater will be treated to the standards of the National Marine Fisheries Service and the Department of Environmental Quality. There will be increased truck traffic on Yaquina Bay Road; however, the project will alleviate congestion on Highway 101 and see an overall reduction in truck traffic along the Coast. It is anticipated that the cumulative development will result in 283,000 miles of reduced VMT (trucks and vessels); \$1.3M in annual fuel cost savings (= +/- 370,000 gallons); \$300,000 in average truck/vessel O&M cost savings; 594 metric tons of reduced CO2 emissions; and \$890,000 in annual Port operating revenues.

The project will also have major economic impacts. Near-term creation of 85 jobs is expected during construction (primarily in year 2016). New port-related businesses are expected to provide Phase 1 (2016-2020) local business investment of \$4.5M by 2017. Direct employment within five years is estimated at 48 workers, with induced employment of 137 jobs based on enhanced productivity in the regional economy. The project will also help diversify the regional economy by serving regional agricultural activities and emerging marine science, wave energy R&D, seafood processing and other marine industrial uses.

**7. Would the proposed activity involve dredging, excavation, or placement of fill? If yes, describe the activity and how it will be conducted.**

Yes. The proposed activity will result in the filling of approximately 0.25 acres of artificially created wetland. The wetland, which is an excavated ditch, will be filled with sand. The project does not involve dredging within the Bay. A wetland mitigation area will restore wetland along the shoreline of the McLean Point. The mitigation area will remove sand fill that was placed several decades ago when McLean Point was created.

**8. Would the proposed activity occur within a unique geographic area of notable recreational, ecological, scientific, cultural, historical, scenic, or aesthetic importance? If yes, describe the area, including the name or designation, if known.**

No. McLean Point is not considered unique from a recreational, ecological, scientific, cultural, historical, scenic or aesthetic importance. The point is an entirely manmade landform that was created on or before the 1950s from fill material and dredge spoils for industrial uses.

**9. Would the proposed activity affect districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places or cause loss or destruction of significant scientific, cultural, or historical resources? If yes, describe the impact. Explain whether and how it was determined if any of those properties had the potential to be impacted within the affected area.**

No. No structures will be removed as part of the project. McLean Point is comprised of sand fill. During the course of obtaining both Corps of Engineers Nationwide Permits, the State Historical Preservation Office and the local Tribes verified that McLean Point is of no cultural or historic significance. This review satisfied Section 106 of the National Historic Preservation Act.

**10. Will this action affect a species listed or proposed to be listed as Endangered or Threatened?**

No. The project has been approved by the National Marine Fisheries Service through their SLOPES approval process. Three species protected under the Federal Endangered Species Act are known to occur within Yaquina Bay. These are Oregon Coast coho salmon (*Oncorhynchus kisutch*) – Threatened; Southern distinct population segment of green sturgeon (*Acipenser medirostris*) – Threatened; Southern distinct population segment of eulachon (*Thaleichthys pacificus*) – Threatened. The wetlands that are proposed to be impacted are contained within

McLean Point with no direct connection to the Bay. All construction activity will occur on the land, with no construction within the Bay. The only activity along the shoreline of McLean Point will be the restoration of estuarine wetland as mitigation for impacts to the artificially created wetlands. The mitigation area will improve the habitat for juvenile coho salmon.

- 11. List any federal, state, or local permits, authorizations, or waivers that would be required to complete the proposed activity. Provide the date the permit, authorization, or waiver was obtained or will be obtained. Provide copies of the permit, authorization, or waiver as appropriate. Was a NEPA analysis prepared for the permit, authorization, or waiver? If yes, state the title of the NEPA analysis and provide copies of the NEPA analysis.**

**Federal Permits:**

- U.S. Army Corps of Engineers Nationwide Permit #39 (NWP 2012-361). First issued on May 22, 2013. Issued again on August 12, 2014. The approvals of the Oregon Department of Environmental Quality, the Department of Land Conservation and Development and the National Marine Fisheries Service are part of the Federal approvals listed above.

**State Permits:**

- Oregon Department of State Lands (56824-RF, August 26, 2014) approved the estuarine restoration portion of the project. As they do not regulate artificially created wetlands, no permits are required for the construction of the development site.

**Local Permit Approval:**

- City of Newport's final land use decision approving the Traffic Impact Analysis Permit No. 1-TIA-13 was issued December 9, 2013 (Order No. 2013-4), and became final on December 30, 2013. It was extended on June 8, 2015 through December 30, 2015.

**Agency Contacts:**

- U.S. Army Corps of Engineers Portland District (Brad Johnson) (503) 808-4383
- National Marine Fisheries (Ken Phippen) (541) 957-3385
- Oregon Department of State Lands (Carrie Landrum) (503) 986-5285
- Oregon Department of Fish and Wildlife (Jason Kirchner) (541) 867-0300 x281
- Oregon Department of Environmental Quality (Mary Camarata) (541) 687-7435
- City of Newport (Derek Tokos) (541) 574-0626

- 12. Is there the potential for the proposed activity to cause changes that would be different from normal ambient conditions (e.g., temperature, light, turbidity, noise, other human activity levels, etc.)? If yes, describe the changes and the circumstances that would cause these changes.**

Yes. The construction of the proposed project will result in the daytime use of the industrial parcel, which will result in additional noise and human activity. Security lights will also be present during the night, which is a change from current conditions. These changes, however,

should not be deemed environmentally significant, within the industrially zoned area adjacent to the Port's International Terminal.

- 13. Is there potential for any foreign substance (e.g., chemicals, antibiotics, pathogens, etc.) to be introduced into the environment? If yes, describe the foreign substance; how the foreign substance is being used; why the substance is being used; and measures that will be taken to prevent or limit its introduction into the environment.**

No. foreign substances will not be introduced into the environment, except as a result of a gas or oil leak during the restoration of the wetland mitigation area. A Spill Prevention, Control, and Countermeasure (SPCC) Plan was prepared and approved (plan attached) to ensure the project has the least environmental impact. All stormwater runoff will be treated to the standards of the National Marine Fisheries Service and the Department of Environmental Quality. As such, deleterious effects of this discharge are not expected.

- 14. Would the proposed activity involve the risk of human or environmental exposure to toxic or hazardous substances? If yes, describe the substance; how the substance is being used; why the substance is being used; the risk of human or environmental exposure; and measures that will be taken to prevent or limit human or environmental exposure.**

No. It is not anticipated that any toxic or hazardous substances will be used during the construction or the operation of the project. A Spill Prevention, Control, and Countermeasure (SPCC) Plan was prepared and approved (plan attached).

- 15. Would the proposed activity affect public health or safety (e.g., change to water supply, change to water table, wastewater disposal, etc.)? The effects may be adverse or beneficial and temporary, long-term, or permanent. If yes, describe the effects and the circumstances that would cause these impacts?**

No. The project will not affect adversely or positively public health or safety. A Spill Prevention, Control, and Countermeasure (SPCC) Plan was prepared and approved (plan attached) to ensure there are no risks for public health. This will be updated for the proposed development of Tax Lot 101.

- 16. Would the proposed activity change stormwater flow, air quality, noise levels, or traffic patterns? The changes may be adverse or beneficial and temporary, long-term, or permanent. If yes, describe the changes and the circumstances that would cause these changes.**

Yes. The project will result in additional stormwater being discharged into Yaquina Bay; however, all stormwater runoff will be treated to the standards of the National Marine Fisheries Service and the Department of Environmental Quality. The project will result in a greater amount of truck traffic on Yaquina Bay Road; however, the City of Newport approved the proposed development with the stipulation that sight distance improvements recommended in the

Traffic Impact Analysis (February 12, 2013) occur prior to truck operations on the property and that coordination with Lincoln County occurs to repair a section of Yaquina Bay Road that is settling along the planned haul route.

**17. Would the proposed activity result in changing the use of park lands, prime farmland, and/or floodplains? The changes may be adverse or beneficial and temporary, long-term, or permanent. If yes, describe the changes and the circumstances that would cause these changes.**

No. The existing land use will not be modified or negatively impacted by the proposed project. The project will not impact the 100-year floodplain, park land or prime farmland.

**18. Would the proposed activity have social or economic impacts? The impacts may be adverse or beneficial and temporary, long-term, or permanent. If yes, describe the impacts and the circumstances that would cause these changes.**

Yes. The proposed \$2M TIGER VII investment would leverage an additional \$4.5M in other local/state/public capital investment to complete the \$6.5M project. Project elements include site access and infrastructure improvements. Immediate near-term construction benefits include the creation of 85 construction jobs (direct FTE jobs) during 2016. Additional near-term benefits include the creation of 48 new permanent jobs after project completion in Phase 1 (by year 2020). There will be 193 total permanent jobs after Phase 1 is complete (includes 48 jobs on site, and 140 jobs attributed to productivity gains in the region).

**20. Would the proposed activity cause an existing habitat (terrestrial or aquatic) to be altered (e.g., tidal flow, sediments, water depth, water quality, turbidity, current, temperature, etc.)? The changes may be adverse or beneficial and temporary, long-term, or permanent. If yes, describe the potential changes and the circumstances that would cause these changes. Discuss if these changes extend beyond the immediate project area.**

Yes. The proposed project will impact approximately 0.25 acres of an artificially created, degraded wetland. The wetland is an excavated channel that now meets wetland criteria. The loss of the artificial wetland will be more than replaced by the restoration of an estuarine wetland along the shoreline of McLean Point. The location of the mitigation area is currently upland and is dominated by a variety of non-native grasses and forbs. The mitigation plan includes excavating sand fill that was placed in the Bay during the 1950s. The restored area will be planted with native wetland plants and will be open to tidal activity. The wetland will provide habitat for a variety of estuarine species, including juvenile salmonids.

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