

NOTICE OF PREPARATION

To:

From:

Humboldt Bay Harbor, Recreation
and Conservation District
601 Startare Drive
P.O. Box 1030
Eureka, CA 95502-1030

Subject: **Notice of Preparation of a Draft Environmental Impact Report**

The **Humboldt Bay Harbor, Recreation and Conservation District** (District) will be the Lead Agency pursuant to the California Environmental Quality Act (CEQA) and will prepare an environmental impact report for the project identified below. The project is expected also to be subject to the requirements of the National Environmental Policy Act (NEPA) and a joint CEQA/NEPA document will be prepared. We need to know the views of your agency as to the scope and content of the environmental information which is germane to your agency's statutory responsibilities in connection with the proposed project. Your agency will need to use the EIR prepared by our agency when considering your permit or other approval for the project.

An Initial Study has not been prepared; a copy of the District's Preliminary Project Description is attached.

Due to the time limits mandated by State law, your response must be sent at the earliest possible date but not later than 30 days after receipt of this notice.

Please send your response to Mr. David Hull, District Executive Officer at the address shown above. We will need the name of and contact information for a contact person in your agency.

Project Title: Redwood Marine Terminal Multipurpose Terminal Modernization and Long-term Expansion Project

Signature:

David Hull
District Executive Officer
707-443-0801

Date

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Preliminary Project Description

Redwood Marine Terminal Modernization and Long-term Expansion Project

**Humboldt Bay Harbor, Recreation and Conservation District
P.O. Box 1030
Eureka CA 95502
707-443-0801**

The Humboldt Bay Harbor, Recreation and Conservation District (District) is a local government agency with management and trust responsibilities for tidelands in Humboldt Bay. In carrying out a portion of the District's responsibilities for Humboldt Bay, the District has identified a phased project for the District-owned Redwood Marine Terminal site, located along the bay's western margin at the Samoa townsite, south of the west end of the Highway 255 bridge (see Figure 1 below for general location).

The proposed Redwood Marine Terminal project includes two project phases. In the first phase the project will incorporate a modernization of the existing terminal, which includes elements that are largely remnants of the facilities that were on the site when the District acquired the site from its previous owner. The nature of the Phase I project is essentially a modernization of these existing facilities that will enable the District to use the terminal for a variety of port-related uses (see the Redwood Marine Terminal Business Plan and the earlier Feasibility Study, available on the District's website (<http://www.humboldtby.org>) for details about a number of potential uses of the Phase I project).

Known or expected elements of the Phase I project are summarized below. The District's Board of Commissioners directed that staff proceed with a preliminary design and environmental documentation for the Phase I project. The District, at the present time, does not have a specific design for the Phase I project; accordingly, the Board of Commissioners directed that an engineering consultant be engaged to develop a preliminary project design, which will be the specific "project" that will be the subject of environmental analyses needed to meet the requirements of the California Environmental Quality Act (CEQA). Based on staff work and upon commentary from responsible agencies and the public, the Board of Commissioners has determined that the required CEQA document is an Environmental Impact Report (EIR). The EIR will serve as a "project EIR" for the Phase I project, identifying potential impacts and required mitigation measures that are expected from project construction.

The project also includes a second project phase, which is a longer-term expansion of the Redwood Marine Terminal facility to provide more extensive facilities that would support intensified port uses. Such uses are not expressly identified at the present time; potential future uses are also identified in the Feasibility Study and Business Plan documents posted on the District's website. The future development could be a more intensified but still generalized port use, or it could be focused upon a targeted type of port use such as a container or auto terminal. Because the future use will only be known in general terms, the EIR will evaluate the potential impacts of Phase II programmatically. The actual development of the Phase II facilities will involve an additional environmental document to meet CEQA requirements, focused on any effects not fully assessed in the current EIR.

The Phase II project elements are currently expected to include rail access to surface transportation systems serving North America. The rail facilities identified in the Phase II project are under the control of the North Coast Railroad Authority (NCRA), a separate state agency created by the Legislature. The NCRA has sole discretion with respect to rail transportation elements that may be included in the project. Consequently, the CEQA document will serve as an informational document for future deliberations by the NCRA.

The District anticipates using federal funding in carrying out the project, and it is also possible that the NCRA may use federal funding in completing tasks that ultimately benefit this project. Consequently the environmental review process for the project needs to address the requirements of the National Environmental Policy Act (NEPA) as well as those of CEQA. The environmental document prepared for the project will thus be a joint CEQA/NEPA document, with the District being the CEQA lead agency and the federal funding agency being the NEPA lead.

Phase I Project – Multipurpose Berth Component:

Elements of the Phase I project address the following goals for use of the site:

- Develop a single multipurpose berth suitable for a variety of ship types, including multipurpose cargo ships, cruise ships and barges, which is designed so it can be integrated into a larger terminal development in Phase II.
- Develop and implement a marketing plan for pursuit of local cargo – bulk, project cargo, and barge.
- Develop and implement a marketing plan for the cruise shipping sector in coordination with the City of Eureka, other regional agencies, and local private companies that could benefit from cruise shipping.
- Develop and implement a marketing plan for pursuit of future coastal short sea shipping service.
- Evaluate non-cargo opportunities on a case-by-case basis to insure each opportunity has a viable business plan and can be integrated into terminal development without compromising cargo related activities.
- Enter negotiations with the Timber Heritage Association on use of the Roundhouse and nearby structures, and investigate integration of the Association's proposed museum into the marketing plan for cruise shipping business.

- Develop permitting and other needs for aquaculture and related uses on property designated for “noncargo uses”.
- Warehouses:
 - Lease Warehouse #14 for short to medium term use if a tenant will contribute to the cost of improvements to the structure; otherwise consider removal of Warehouse #14 with the cost of demolition partially offset by recycling of the building’s timbers.
 - Continue to offer Warehouse #3 for storage of commercial fishing equipment and U.S. Coast Guard equipment, and develop long-term storage alternatives as terminal expansion takes place (note that Warehouse #3 remains in place during Phases 1 and 2 of development).
- Enter negotiations with the Samoa Pacific Group to secure the availability of adjacent property necessary for medium- to long-term terminal development as future opportunities arise.

At the present time a detailed layout for the Phase I elements has not been developed. The District will soon select a consultant team to conduct design studies as well as to carry out tasks related to CEQA and/or NEPA. The preliminary concept for the Phase I project developed by the District for planning purposes is shown in Figure 1.

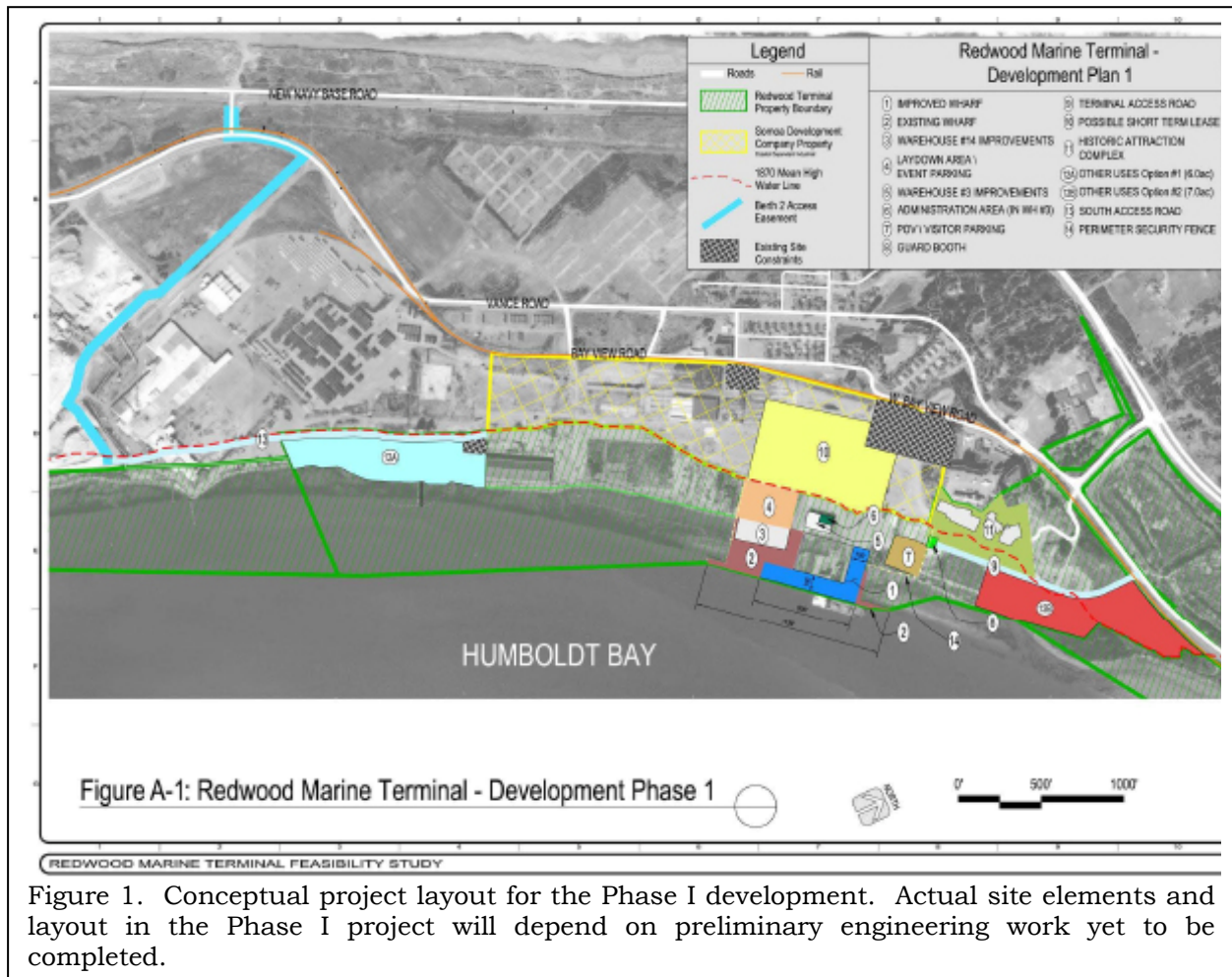


Figure 1. Conceptual project layout for the Phase I development. Actual site elements and layout in the Phase I project will depend on preliminary engineering work yet to be completed.

Physical Element of the Phase I Project

Known or likely elements in the Phase I project include a multipurpose berth and terminal infrastructure necessary and sufficient to support cruise, cargo, short-sea shipping and non-cargo uses, including the following elements:

- A new berth to replace the existing timber structure, suitable for a variety of vessel types – barge, cruise, general/project cargo and short sea shipping.
- Laydown Area / Event Parking Area to support cargo and cruise shipping activities.
- Warehouse 3 improvements to accommodate existing storage functions and an administrative office for the terminal.
- Privately owned vehicle (POV) / Visitor Parking area to provide secure parking for administration staff, stevedores, and visitors to the terminal.
- Guard Booth, the primary security check point for the terminal.
- Terminal Access Road improvements to segregate terminal traffic from traffic generated by the Historic Attraction Complex.
- Historic Attraction Complex to serve as a potential cruise shipping attraction.
- Land for Non-Cargo Uses, including aquaculture and other uses that may be identified by the District in the future.
- Perimeter Security Fencing.

Timber Heritage Association Proposal

The Phase I project incorporates a non-terminal land use, the continued use and further development of a museum and related features for the Timber Heritage Association (THA). The THA is a non-profit corporation with the mission of creating a logging and timber heritage museum. The Association currently uses the existing roundhouse and neighboring sheds, located on the Redwood Marine Terminal site, for storing historical artifacts under a short-term lease with the District. The Association is currently engaged in the process of applying for a long-term lease of the facilities for the proposed timber heritage museum. The Redwood Marine Terminal Feasibility Study concluded that operation of a museum or other cultural activities at these properties will not interfere with the long-term development of the terminal facility for cargo activities.

Because of the location of the proposed THA facilities, the District has determined that it is technically infeasible to separate the design, development, and subsequent operation of the proposed THA facilities from the design, development, and operation of the Redwood Marine Terminal facilities. Because the District is also the lead agency for the CEQA review for the THA proposal, the District has determined that the CEQA documentation prepared by the District for the Redwood Marine Terminal will also address potential environmental effects associated with the THA facilities.

Aquaculture/Mariculture

A 3-acre portion at the south end of the Redwood Marine Terminal site has been committed to long-term use for aquaculture. The design studies will evaluate the feasibility of designating additional parts of the project site for aquaculture use. If additional aquaculture uses are judged to be desirable and feasible, then the CEQA

documentation prepared for the project will address environmental concerns associated with this allocation.

Health Impact Assessment

The Humboldt-Del Norte County Medical Society suggested to the District during review of the Feasibility Assessment that the environmental review of any terminal development should incorporate a Health Impact Assessment (HIA). The District is considering the need for this assessment as part of the EIR. An HIA would include an identification of health indicators potentially affected by the project, an analysis of the potential impact of the project on health indicators based on scientific literature, an assessment of community concerns, and suggested measures to be adopted to offset identified negative health impacts.

Phase II Project – Long Term Development Component

The potential long-term expansion options for the project site have not been selected. Goals for the long-term expansion include:

- Develop and implement a marketing plan for major terminal development and for discussions with shipping lines, terminal operators, shippers of cargo, and major national railroads.
- Pursue a coordinated development strategy with the State agency that manages the rail corridor.
- Evaluate needs for maintenance dredging at the turning basin and berth.

Potential impacts of, and potential mitigation for, long-term expansion project elements must be considered in the current CEQA document, but in a “programmatic” sense. The District must subsequently conduct additional CEQA assessments for those elements, tiered to the current CEQA review, if they are proposed for development in the future.

At the present time the District is broadly considering two conceptual options for the long-term expansion. Most of the elements of the options are common to both. The elements that would be required for a viable long-term expansion option (based on the Feasibility Assessment and Business Plan) are included in “Alternative 1” for the Phase II development. Additional elements that would be necessary for more extensive development of specialized port facilities to accommodate automobile or container freight are addressed in “Alternative 2.”

Expanded Multi-Purpose Terminal (Alternative 1)

Common elements necessary for development of expanded port facilities (see Figure 2) include:

- Wharf extension
- Container storage yard
- General cargo storage yard
- Gate complex
- Intermodal rail yard
- Maintenance and repair building

- Administration building
- POV parking
- Perimeter security fence
- Cruise terminal access

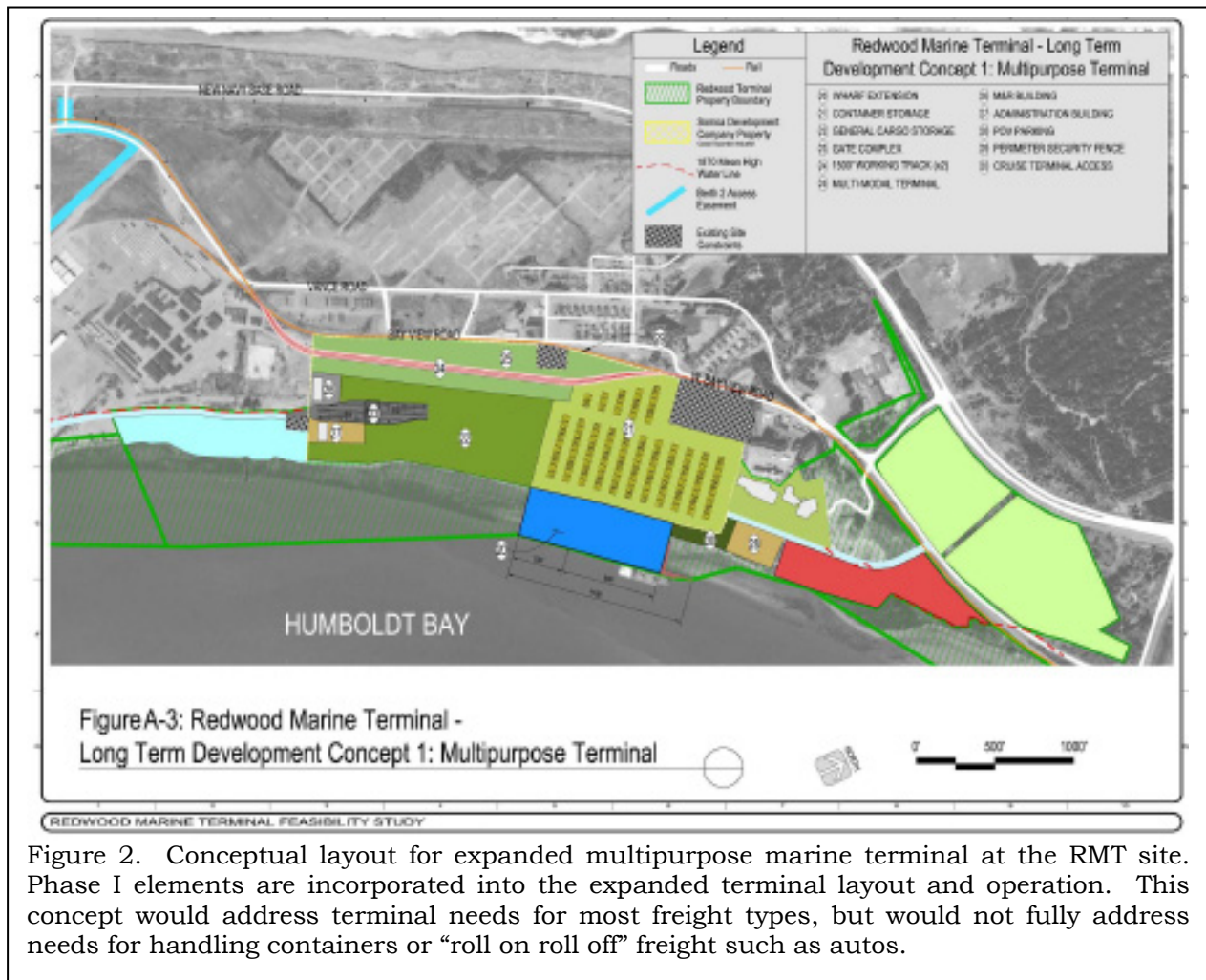


Figure 2. Conceptual layout for expanded multipurpose marine terminal at the RMT site. Phase I elements are incorporated into the expanded terminal layout and operation. This concept would address terminal needs for most freight types, but would not fully address needs for handling containers or “roll on roll off” freight such as autos.

For environmental assessment purposes the EIR will address the anticipated effects of, and mitigation for, the conceptual development shown in Figure 2, as that vision is elaborated by the District’s design consultant. That it, the “Phase II, Alternative 1” project considered programmatically in the EIR will be the vision shown in Figure 2 as that vision is constrained by further technical assessments that have not yet been developed.

Expanded Multi-Purpose Terminal (Alternative 2)

The District has identified a need for additional facilities at the Redwood Marine Terminal site in order to handle certain types of freight, including containers and “roll on roll off” cargo like automobiles. This elaboration is identified as Alternative 2 for the long-term expansion of the terminal, and includes the following:

- All elements in Alternative 1
- Additional wharf extension (container/auto option)
- Single storage yard for either containers or autos (container/auto option)

A schematic layout for the more advanced “Alternative 2” option is shown in Figure 3.

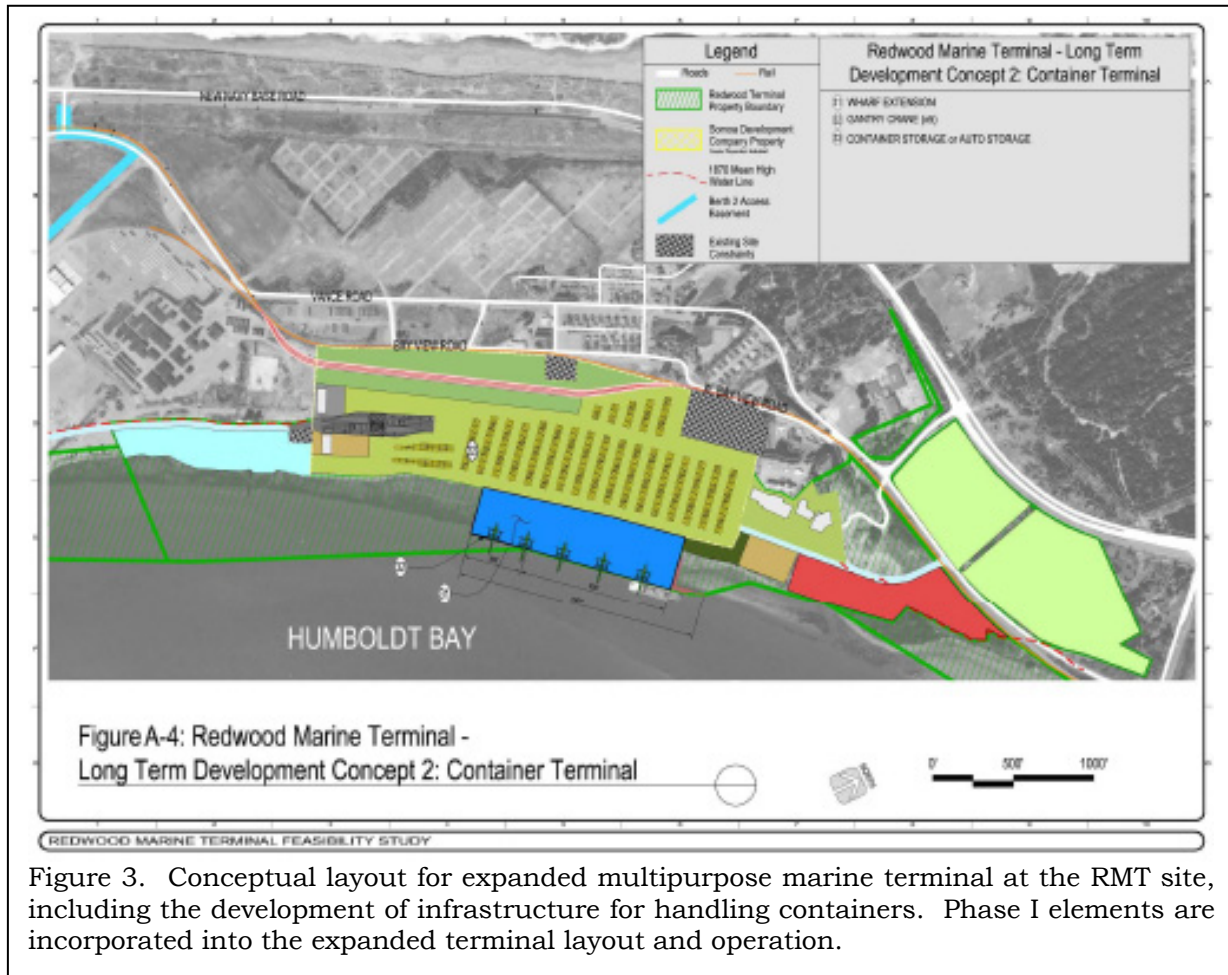


Figure 3. Conceptual layout for expanded multipurpose marine terminal at the RMT site, including the development of infrastructure for handling containers. Phase I elements are incorporated into the expanded terminal layout and operation.

For environmental assessment purposes the EIR will address the anticipated effects of, and mitigation for, the conceptual development shown in Figure 3, as that vision is elaborated by the District’s design consultant. That it, the “Phase II, Alternative 2” project considered programmatically in the EIR will be the vision shown in Figure 3 as that vision is constrained by further technical assessments that have not yet been developed.