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RECORD OF DECISION

**PROPOSED INSTITUTE OF MARINE SCIENCE (IMS)
INFRASTRUCTURE IMPROVEMENT PROJECT
SEWARD, ALASKA**

RECEIVED
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**EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD**

U.S. DEPARTMENT OF THE INTERIOR

Concurring Agencies:

**NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
U.S. DEPARTMENT OF AGRICULTURE**

OCTOBER 1994

Decision Sheet
Proposed IMS Infrastructure Improvement Project
Seward, Alaska

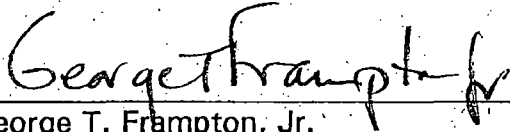
Alternative I--The Proposed Action
(Research/Wildlife Rehabilitation, Public Education/Visitation)

X

Alternative II
(Research/Wildlife Rehabilitation Only)

Alternative III--No Action

Approved:



George T. Frampton, Jr.
Assistant Secretary for Fish and Wildlife and Parks
Department of the Interior

October 31, 1994

Date

Concur:

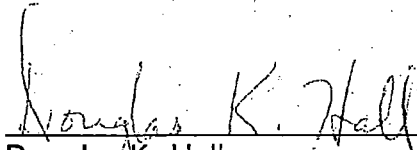


James R. Lyons
Under Secretary for Natural Resources and Environment
Department of Agriculture

10-31-94

Date

Concur:



Douglas K. Hall
Assistant Secretary for Oceans and Atmosphere
National Oceanic and Atmospheric Administration
Department of Commerce

10/31/94

Date

Background Introduction

The *Exxon Valdez* Oil Spill (EVOS) Trustee Council is considering a decision to provide funds to improve the existing infrastructure at the University of Alaska's Institute of Marine Science (IMS) in Seward, Alaska, in order to enhance the Trustee Council's capabilities to study marine mammals, marine birds, and the ecosystem injured by the EVOS. The improvements are intended to help focus and carry out a long-term research and monitoring program for the EVOS area as part of an overall restoration plan. The proposed project would be constructed adjacent to the existing campus of the IMS Seward Marine Center, and would have two components: (1) a research and wildlife rehabilitation component, and (2) a public education and visitation component.

The City of Seward supports the proposed project, having identified a parcel of city-owned, waterfront property for it in downtown Seward. City zoning for the property has been modified to accommodate the project, and the city is moving forward with other support activities in hopes that the needed funds for the project will become available.

Funding for the proposed project would come, in large part, from EVOS funds. Overall, the total project capital budget is anticipated to be approximately \$47.5 million, of which approximately \$37.5 million would come from EVOS funds. Twelve and one-half million dollars of State EVOS restitution funds were appropriated by the Alaska Legislature in 1993 to the City of Seward for the planning, design, and construction of the proposed project. In addition, approximately \$25 million of EVOS monies have been requested to fund the research and wildlife rehabilitation component of the proposed project. No EVOS joint restoration funds would be used to fund the public education and visitation component of the proposed project. The approximately \$10 million envisioned to fund the public education and visitation component would be raised privately. However, revenue from public education and visitation would be used to offset the operational costs of both components.

The EVOS Trustee Council is comprised of the designees of the Secretary of the U.S. Department of the Interior (DOI), Secretary of the U.S. Department of Agriculture, Administrator for the National Oceanic and Atmospheric Administration, the Commissioner of the Alaska Department of Fish and Game, the Commissioner of the Alaska Department of Environmental Conservation, and the Alaska Attorney General. By agreement of the trustees, the Trustee Council is responsible for all decisions regarding the assessment of injuries from the *Exxon Valdez* oil spill and uses of the joint restoration funds. The planning, evaluation, and implementation of restoration activities require the unanimous agreement of Trustee Council members.

On January 31, 1994, the Trustee Council conditionally approved financial support for the Proposed IMS Infrastructure Improvement Project in Seward, Alaska, and authorized the Executive Director of the Trustee Council to:

- (1) take necessary steps to secure National Environmental Policy Act (NEPA) compliance;
- (2) consult appropriate entities, including the University of Alaska, the City of Seward, the Seward Association for the Advancement of Marine Science (SAAMS), and appropriate trustee agencies to review the assumptions relating to the proposed improvements and capital and operating budgets;
- (3) develop an integrated funding approach which assures that the use of trust funds is appropriate and legally permissible under the terms of the Memorandum of Agreement and Consent Decree; and
- (4) prepare a recommendation of the appropriate level of funding for consideration by the Trustee Council that would be legally permissible under terms of the Memorandum of Agreement and Consent Decree.

The DOI agreed to be the lead Federal Agency for NEPA compliance on behalf of the Trustee Council. Pursuant to NEPA, DOI prepared a draft and final environmental impact statement (EIS) for the Proposed IMS Infrastructure Improvement Project in Seward, Alaska. The final EIS describes three alternatives, including the proposed action; presents the major issues associated with the proposed action and its alternatives as identified through the public scoping process; examines the environmental consequences of each alternative; presents measures to avoid or minimize adverse environmental effects; and presents and responds to comments made during the public review of the draft EIS.

This Record of Decision (ROD) documents DOI's decision regarding the environmental aspects of the proposed project, based on information, analysis, and public comments in the final EIS. The Department of Agriculture and the National Oceanic and Atmospheric Administration each concurs in this decision. Issues regarding project propriety and details of project financing, including the possible use of joint restoration funds to purchase a research vessel and a submersible as part of the proposed project, have been forwarded to the EVOS Trustee Council for its consideration, and are not incorporated into this ROD. These issues and the ROD will be considered by the Trustee Council in making its final decision for funding of the proposed project.

This ROD presents and discusses the decision; identifies and compares the effects of the alternatives considered in reaching the decision; specifies the environmentally preferable alternative; summarizes the views expressed by government agencies, organizations, and the general public with regard to the proposed project; and identifies the means by which potentially adverse effects would be avoided or minimized.

Decision

Based on consideration of the information, analysis, and public comments in the final EIS, DOI favors the proposed action as it is described in that document (Alternative I). For the most part, the adverse effects of this alternative would be negligible to low. The anticipated moderate adverse effects of Alternative I on traffic and transportation, recreation, and quality-of-life factors would be confined generally to summer weekends in the downtown area. The high effect on quality of life during the off-peak visitation months (October through May) could be perceived as either positive or negative. Beneficial effects on quality of life factors in Seward, such as increased local, year-round employment; local economic improvements; and increased educational opportunities could offset adverse effects, such as possible changes in the small-town atmosphere and increases in traffic congestion, litter, and crime.

Overall, the anticipated benefits of Alternative I outweigh the adverse effects. While the magnitude of adverse effects with Alternative I is greater than for the research-only alternative (Alternative II) and the no-action alternative (Alternative III), the benefits of Alternative I also are greater.

Tourism in Seward is expected to continue to increase even without the project, and the small-town atmosphere of Seward and other quality-of-life factors have changed and will continue to change even without the project, though possibly at a slower pace. The City of Seward and the citizens of Seward could, through local planning and other activities, minimize the adverse effects associated with what amounts to a strong growth trend in summer tourism regardless of whether Alternative I moves forward.

The DOI assumes that the mitigation presented as part of the proposed action in the final EIS will be implemented. Furthermore, stipulations will be implemented as agreed upon through consultation between DOI, the Alaska State Historic Preservation Officer (SHPO), and concurring parties (SAAMS and the City of Seward), as part of National Historic Preservation Act, Section 106 compliance. Any modifications to the project requested as a result of the Alaska Coastal Management Program Consistency Determination will be adopted or adjusted, as needed, after discussion and resolution with the State. The Trustee Council may place additional conditions on this project should it decide to approve funding for it, and DOI as well as the other two Federal Trustee Agencies will be party to any

such decision.

The DOI suggests that the EVOS Trustee Council includes as a condition of any funding approval a means to assure that future mitigation needs will be considered by the owner/operator of the project and implemented if practicable. This will assure that presently unforeseen mitigation needs are addressed with due consideration and action.

Prior to making a final funding decision regarding the proposed project, the EVOS Trustee Council must consider the environmental effects and findings documented in this ROD, as well as the results of tasks directed by the Trustee Council in its January 31, 1994, decision to conditionally approve financial support for the project (see p. 3 of this ROD for a list of the four tasks).

Alternatives Considered

The final EIS includes analysis of three alternatives: the proposed action, a second action alternative, and the no-action alternative. The primary purpose of both action alternatives is to provide infrastructure in Seward, Alaska, for long-term research and monitoring of the ecosystem affected by the EVOS, with the goal of benefiting the long-term health and restoration of injured resources, as part of an overall restoration plan for the EVOS area. The goal of wildlife rehabilitation services at the facility would be to restore the health of injured wildlife in order that they could be released to the natural environment. The facility would provide certain research capabilities and long-term and critical care functions not currently available in the EVOS area.

The following describes each alternative and presents a comparison of the anticipated environmental effects of the alternatives.

Description of Alternatives

Alternative I--The Proposed Action. This alternative has two components: (1) a research and wildlife rehabilitation component, and (2) a public education and visitation component. The proposed improvements to the IMS Seward Marine Center would provide a facility for the study and rehabilitation of marine mammals and birds, particularly pinnipeds (harbor seal and Steller sea lion), sea otters, and alcids (common murre, pigeon guillemot, marbled murrelet, and tufted and horned puffin). The facility also would provide for the study of fish genetics and oceanography. Proposed improvements include: tanks and pens (temporary holding, long-term habitat, and quarantine); a life support system (running seawater and disinfection); a freshwater system; pathology and water quality laboratories; x-ray, surgery, pharmacy, and necropsy facilities; and a library.

The research and wildlife rehabilitation component would consist of approximately 22,000 square feet of interior space for studies and rehabilitation of marine

mammals, marine birds, and other wildlife. It would be comprised of wet and dry laboratories, staff offices, and a library. There also would be approximately 46,000 square feet of exterior space containing outdoor research habitat, tanks, and pools for pinnipeds, sea otters, and marine bird species. A 50-space, 37,000 square foot parking lot for staff vehicles would be constructed adjacent to the existing IMS Rae Building parking lot. A research vessel and a submersible may be acquired for research purposes.

The public education and visitation component would include approximately 20,000 square feet of additional interior space to promote public awareness of the marine environment. It would function in concert with, and in support of, the research and wildlife rehabilitation component. This component would include exhibits, interpretive displays, and public areas. A 166-space, 90,000 square foot parking lot for visitors and a public plaza would be built adjacent to the education and visitor component.

A stormwater drainage system with oil/water separator would be linked with the city system. No joint EVOS restoration funds would be involved in the construction or maintenance of the public education and visitation component. However, revenue from this component would offset operational costs of the entire facility.

The two components would share approximately 27,000 square feet of interior building-support space, including the life support system and the facility's mechanical, administrative, and curatorial functions.

Approximately 250,00 to 262,000 people are projected to visit the proposed facility annually in the first 5 years. Of this number, approximately 50,000 would be new visitors to Seward. Approximately half of the anticipated 50,000 new visitors are projected to visit during the peak summer period of June 1 through September 15.

Alternative II--Research/Wildlife Rehabilitation Only. Alternative II has only one component: research and wildlife rehabilitation. The structures and facilities for this alternative generally would be the same as those described for the research and wildlife rehabilitation component in Alternative I. The "footprint" of the building would remain essentially the same; however, the facility would be a one-story building rather than a two-story. The public education and visitation component as described for Alternative I is eliminated with this alternative. The visitor parking area and public plaza adjacent to the building are eliminated as well. This land would be graded and landscaped, but otherwise unoccupied. A stormwater drainage system would be linked to the city system, but would not include an oil/water separator. Thus, the city's existing stormwater drainage system in the vicinity of the project site would continue to discharge directly into

Resurrection Bay without treatment.

Elimination of the public education and visitation component would remove an important source of revenue intended to offset the operational costs of the facility under Alternative I. Without this component, funding sources to operate the facility would have to be derived from research contracts, rehabilitation program income, grants and donations, and possibly other, as yet unidentified, sources.

Alternative III--No Action. The no-action alternative means that none of the construction and operational activities associated with Alternatives I and II would occur. There would not be a facility dedicated primarily to the research needed to support the recovery of species and the ecosystem injured as a result of the EVOS. The EVOS Trustee Council's capabilities to study fish genetics and marine mammals, marine birds, and the ecosystem injured by the EVOS would continue as they currently exist.

The proposed project site is currently owned by the City of Seward and occupied by the Northern Stevedoring Warehouse and welding shop, the Youth/Teen Center, the Municipal Dock, and a portion of Waterfront Park. The city has no plans to construct any new facilities on the site other than the proposed project. Existing uses of the property would remain in place for the short term; however, the city would discontinue the lease to Northern Stevedoring and is seeking alternative locations for Alaska Marine Highway ferry docking and the Youth/Teen Center regardless of whether the proposed project moves forward.

Current tourist visitation to Seward is approximately 440,000 people per year. Eighty-five per cent of Seward's annual visitor traffic occurs during the peak summer period of June 1 through September 15. This amounts to about 374,000 visitors during this time period.

Comparison of the Effects of the Alternatives

As evident from the descriptions above, Alternatives I and II--the action alternatives-- differ in the type of facility intended for the Seward site. Alternative I includes a research and wildlife rehabilitation component and a public education and visitation component; Alternative II eliminates the public education and visitation component. Both action alternatives would provide the infrastructure for long-term research and monitoring of resources injured by the EVOS as part of an overall restoration plan. Alternative III, the no-action alternative, would not.

Both action alternatives would result in beneficial as well as adverse effects. Any notable difference in the magnitude of effects between the two action alternatives is due to the existence of the public education and visitation component of the project in Alternative I. The no-action alternative would result in none of the benefits or adverse effects associated with the other two alternatives.

The adverse environmental effects anticipated for both action alternatives would be similar in nature and magnitude for nearly all categories analyzed in the EIS. These effects would be negligible to low, with the exception of the effect on recreation facilities, which would be moderate during summer months (June through August), and slightly more acute for Alternative I than for Alternative II. This moderate adverse effect would be due to the elimination of about two-thirds to three-quarters of the Iditarod Campground (50 to 57 RV camp sites), which is on property designated for the project for either Alternative I or II. With the no-action alternative, the campground would remain unchanged, at least for the short term. Camping facilities already are at capacity during peak periods, such as the Fourth of July weekend and during the Seward Silver Salmon Derby in August, and loss of camp sites with Alternatives I and II would further aggravate the situation during these times. The 25,000 new summer visitors to Seward associated with Alternative I would result in added pressure on existing camping facilities, which accounts for the adverse effects of Alternative I being slightly more acute than Alternative II. Nonetheless, the effect on recreation facilities with either action alternative still would be moderate, and moderate effects on camping facilities in Seward would be anticipated even without either of these alternatives due to general trends of increased visitation to Seward.

The magnitude of effects for traffic and transportation and quality of life would be different for the two action alternatives. Again, the difference in effect levels for the two alternatives is due to the presence of the public education and visitation component, which would result in a greater number of visitors to Seward and more visitors transiting through the downtown area to the proposed project. Current tourist visitation to Seward is about 440,000 people per year. About 374,000 people, or 85 percent of the total, visit Seward from June 1 through September 15. Alternative I, with the public education and visitation component, is projected to attract an additional 50,000 new visitors to Seward each year. About half of these new visitors would visit from June to mid-September. The public education and visitation component is projected to attract approximately 250,000 to 262,000 people annually in the first 5 years. In an average summer week, 14,570 people could move through the facility; this would amount to 2,914 people per day on an average high-visitation day.

With Alternative I, effects on traffic and transportation would be negligible to moderate; whereas, with Alternative II effects would be negligible. The moderate adverse effects would be confined to certain times, generally on weekends during the summer. Aspects of traffic and transportation examined include parking, traffic volumes (i.e., potential congestion), and traffic circulation. The effect of Alternative I on parking conditions in the City of Seward would be low. Alternative I would accommodate all anticipated project-related parking on site. However, either half or all of the parking spaces would be eliminated in front of the project along Railway Avenue. This accounts for the low effects as compared to the

negligible effects for Alternative II.

The effect on traffic circulation would be moderate; and the effect on traffic volumes would be moderate near the project location and low outside of the downtown area. With Alternative I, the public visitation to the facility would cause a shift in the current traffic flow to encompass the downtown area. Increased traffic into downtown Seward would create moderate effects on traffic circulation and cause occasional congestion adjacent to the project site, generally on weekends during the summer. Existing traffic congestion generally is confined to the Small Boat Harbor area, 1-1/3 miles from downtown Seward. Congestion in that area would continue to be a problem, at least in the short-term, even without the project, because visitation to Seward is expected to continue to increase.

Alternative I would have a moderate effect on Seward's quality-of-life factors during the summer months and a high effect during winter months, as compared to a low effect with Alternative II. Effect-level definitions for quality of life have to do with changes in local social conditions. Quality-of-life factors examined include changes in Seward's small-town atmosphere, changes in Seward's year-round economic opportunity, crowding, parking and traffic congestion downtown and at the Seward Small Boat Harbor, and possible increases in crime and litter. Many Seward residents value a small-town atmosphere, a relatively slow pace of life, lower congestion, and other qualities not found in more urban locations. A change in small-town atmosphere, might be perceived as negative by some and positive by others, particularly depending on the time of year the change is experienced.

With Alternative I, the increase in new visitors to Seward would amount to a 7-percent increase over current levels experienced from June through mid-September, and a 35-percent increase over current levels experienced from October through May. A seven percent increase would be defined as a low social effect; however, during the summer, Seward's small town atmosphere already is altered by the presence of a large number of visitors and there is local sensitivity to the existing summer tourist traffic, so this effect was determined to be moderate. The anticipated 35-percent increase in visitors during the off-peak months (October through May) could cause a major change in the small-town atmosphere of Seward, particularly given that the downtown and the waterfront area near downtown would be the focus of these new visitors' activities. While this is a significant change, it may not amount to a significant adverse effect. In fact, some might consider the increase in winter tourism to be a benefit to Seward's economic and social quality of life.

Tourism in Seward is expected to continue to increase even without the project, and the small-town atmosphere of Seward has been changing and will continue to change, though possibly at a slower pace.

Beneficial effects also would be anticipated with either action alternative, though the magnitude of benefits would be greater for Alternative I than for Alternative II. Again, the difference is due to the presence of the public education and visitation component in Alternative I. Benefits would include those that would accrue to marine wildlife in the EVOS area as a result of the research conducted at the facility, as well as biological monitoring and wildlife rehabilitation; intertidal habitat enhancement, with the eventual planned creation of a tide pool as part of the facility; improved visual quality of the project site; improvements to the local economy, including increased local employment and improved economic opportunity (more for Alternative I than for II); increased public revenues from use of local utilities (more for Alternative I than for II); increased public revenues from sales taxes collected from the facility's gift shop and visitor admission fees (Alternative I only); increased educational opportunities (particularly with Alternative I); possible improvements to quality of life during other-than-summer months; and enhanced visitor facilities (particularly with Alternative I).

Alternative I would provide greater economic and educational benefits than Alternative II due to the existence of the public education and visitation component of this alternative. Also, by providing an oil/water separator as part of the stormwater drainage system to be linked with the city's system, Alternative I would provide an additional environmental benefit to water quality that Alternative II would not.

Again, neither the benefits nor the adverse effects associated with Alternatives I and II would be realized with the no-action alternative.

Environmentally Preferable Alternative

Alternative I is the environmentally preferable alternative, though not by great measure over Alternative II. Both Alternatives I and II have beneficial and unavoidable adverse effects. Both Alternatives I and II would provide the infrastructure for long-term research and monitoring of the ecosystem affected by the EVOS. Thus, both would benefit the long-term health and restoration of resources injured by the EVOS. The proposed facility of either action alternative would serve as a center for the coordination and integration of an ongoing and planned comprehensive research and monitoring program of the EVOS area as part of an overall restoration plan.

The existence of the public education and visitation component in Alternative I would result in moderate adverse effects on traffic and transportation, recreation, and quality of life during the summer months and high effects on quality of life during the winter months. However, the benefits from this component would outweigh the adverse effects. In fact, on balance, for both action alternatives, the beneficial effects outweigh the adverse effects.

While Alternative I would result in a greater magnitude of adverse effects on traffic and transportation and the quality of life in Seward than Alternative II, it also would provide a greater magnitude of benefit. The moderate adverse effects of Alternative I generally would be confined to summer weekends (from June through mid-September) and, in terms of traffic impacts, would occur only at certain times on those weekends. Changes to the small-town atmosphere of Seward would be accelerated by Alternative I, and would be particularly noticeable during other-than-summer months, though they may not be perceived as adverse during that time of year. Benefits from the increased visitation to Seward and the facility would be realized year-round.

Tourism in Seward is expected to continue to increase even without the project, and the small-town atmosphere of Seward and other quality-of-life factors have changed and will continue to change even without the project, though possibly at a slower pace. The City of Seward and the citizens of Seward could, through local planning and other activities, minimize the adverse effects associated with what amounts to a strong growth trend in summer tourism regardless of whether Alternative I moves forward.

Public Involvement and Comment

Extensive coordination and consultation has taken place throughout the NEPA process with government agencies, the University of Alaska, and interested individuals and organizations. Consultations have been completed regarding endangered and threatened species and archaeological and historic resources. These consultations are discussed in this ROD under **Determinations**.

Notice of Intent to Prepare an EIS and Scoping

On March 9, 1994, DOI, as lead Federal Agency on behalf of the EVOS Trustee Council, published a Federal Register Notice of Intent to prepare an EIS on the Proposed IMS Infrastructure Improvement Project (59 FR 11082-1183). Scoping commenced on that date.

Scoping meetings for the proposed project were held on March 22 and 24, 1994, in Seward and Anchorage, Alaska, respectively. Public notices announcing these meetings and requesting comments were published in newspapers in Seward, Homer, Anchorage, Kenai, Valdez, Kodiak, and Cordova. A scoping newsletter also was distributed widely throughout the EVOS area and elsewhere. In addition to comments and suggestions received at the scoping meetings, over 300 written responses were received. These comments were evaluated by DOI in a scoping report which was distributed widely. The results of the scoping report form the basis for the topics, issues, and alternatives addressed in the EIS.

A number of those who commented questioned the use of EVOS funds for the proposed project. Some expressed concern that the money was not being used

appropriately (i.e., for the proposed project and the preparation of an EIS). Some felt that the funds would be better used for acquisition and restoration of habitat. Others suggested restoration of the lifestyles of villages damaged by the spill. A number of those who commented expressed strong opposition to any project that would include public display of animals. Issues such as these regarding project propriety and the use of EVOS funds are significant ones to be addressed with public input; however, they are not environmental issues and were not analyzed in the EIS. Rather, they were forwarded to the EVOS Trustee Council for its consideration in deciding on funding for the proposed project, as well as in making decisions on the overall restoration plan and on annual work plans.

Publication of and Public Comment on the Draft EIS

A 45-day public comment period on the draft EIS followed the June 24, 1994, publication of the Environmental Protection Agency's (EPA) Notice of Availability in the Federal Register (FR 59 32697). The public comment period ended on August 8, 1994. Public hearings on the draft EIS were held on July 26 and 28, 1994, in Seward and Anchorage, Alaska, respectively. A total of four individuals presented testimony at these hearings. Thirty-one comment letters were received on the draft EIS--eight from Federal Agencies, four from State Agencies, one from the City of Seward, three from groups or organizations, and 15 from individuals. Responses were prepared for 231 comments. Generally, comments on the draft EIS addressed: (1) traffic and transportation; (2) quality of life in and near Seward; (3) recreation resources; (4) archaeological and historic resources; (5) the possible relocation of the Alaska Marine Highway's ferry service in Seward; and (6) the feasibility and propriety of the proposed project.

Final EIS

The final EIS reflects revisions made as a result of public comments received. Again, the important issues of project propriety and funding were forwarded to the Trustee Council for its consideration, since these are not environmental issues. As such, they were not analyzed in the final EIS. The effect levels predicted in the draft EIS did not change for the final EIS.

The final EIS was filed with EPA on September 16, 1994. The EPA's Notice of Availability for the final EIS was published in the Federal Register on September 23, 1994 (FR 59 48444-48445).

Determinations

Alaska National Interest Lands Conservation Act (ANILCA)

Section 810 of ANILCA, which deals with subsistence and land use decisions, does not apply to the proposed action because the proposed project does not involve Federal public lands.

Coastal Zone Management Act

The proposed project is currently undergoing review for consistency with the Alaska Coastal Management Program. A determination is anticipated by the end of November 1994. Any modifications requested through this process will be adopted or adjusted as needed after discussion and resolution with the State.

Endangered Species Act (ESA)

To ensure conformance with the requirements of Section 7(a)(2) of the ESA, DOI requested information from the National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service (FWS) regarding any threatened or endangered species in the area of the proposed project. In its letter dated May 6, 1994, NMFS identified the Steller sea lion, a threatened species, as one which occurs near the offshore border of the proposed project site. However, NMFS concluded that because this species does not frequently enter the shoreline waters or haul out on terrestrial portions of the project area, it is unlikely that the species would be affected by the proposed project.

In its letter dated May 13, 1994, FWS concluded that no threatened or endangered species under its jurisdiction occur in the project area. Several "candidate species" do occur in the project area, however, and FWS encouraged agencies with information about these species to provide it to them.

Thus, ESA consultation is complete. However, should proposed plans change or new information become available that alters the basis of the conclusions of the two agencies, consultation will need to be reinitiated. Continued communication about the project with NMFS and FWS is essential.

National Historic Preservation Act (NHPA)

Section 106 of the NHPA requires the lead Federal Agency for a Federally assisted, permitted, or licensed undertaking to take into account the effect of the undertaking on properties included in or eligible for the National Register of Historic Places. Further, Section 106 requires consultation with the SHPO and provides for the Advisory Council on Historic Preservation to comment. As a result of consultation between DOI, the lead Federal Agency on behalf of the EVOS Trustee Council, the SHPO, and concurring parties (SAAMS and the City of Seward), a Memorandum of Agreement (MOA) was developed to ensure proper consideration of archaeological and historic resources. Stipulations were agreed upon to minimize potentially adverse effects on these resources. The MOA was accepted by the Advisory Council on Historic Preservation on October 11, 1994, and Section 106 compliance is now complete. As required by the MOA, continued consultation between the DOI, SHPO, and concurring parties will occur as/if the project proceeds.

Mitigation

The DOI believes that all practicable means to avoid or minimize environmental harm from this alternative will be adopted.

The project must abide by: (1) the mitigation presented as "in place" in the final EIS; (2) mitigation already agreed upon or to be developed through future required consultations with the State and Federal Government; and (3) mitigation which may be imposed by the Trustee Council when it makes its final decision on the project.

The DOI suggests that the EVOS Trustee Council include as a condition of any funding approval for the project a means to assure that future mitigation needs will be considered by the owner/operator and implemented if practicable. This will assure that presently unforeseen mitigation needs are addressed with due consideration and action.

The DOI has a continuing obligation as lead Federal Agency to assure that required consultations with the SHPO occur as agreed in the MOA for NHPA, Section 106 compliance.